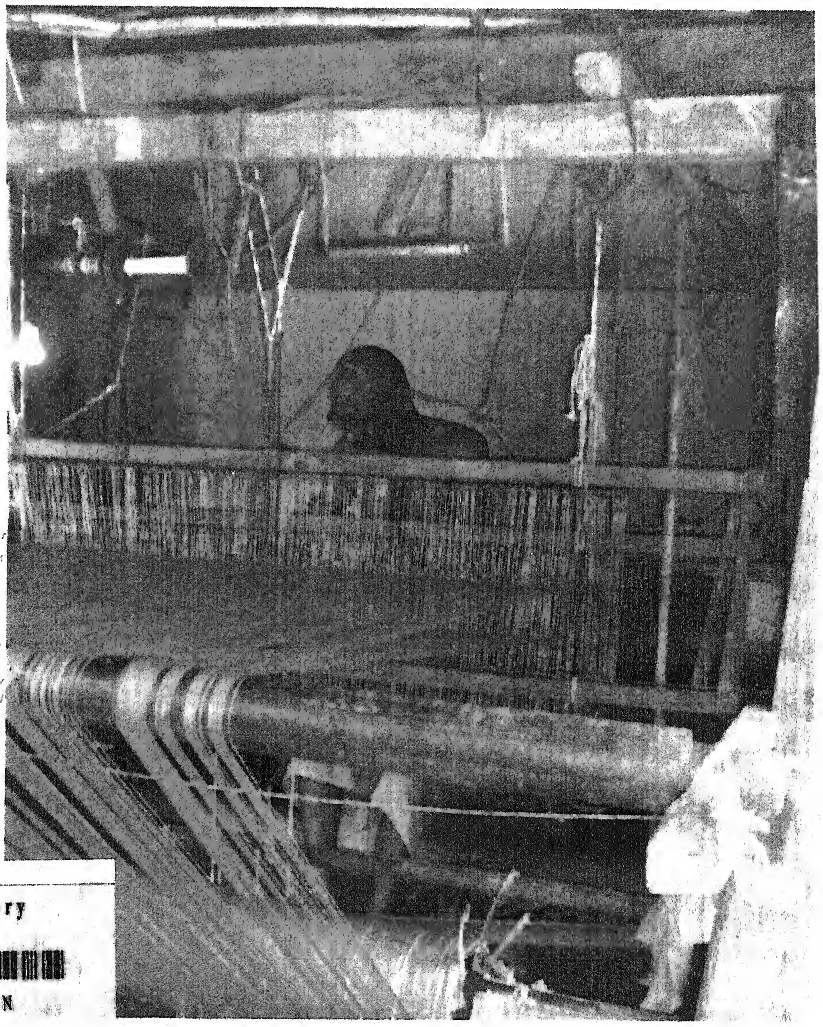
DIAGNOSTIC STUDY OF HANDLOOM CLUSTERS IN UTTAR PRADESH

Sponsored by

National Commission On Enterprises In The Unorganised Sector, New Delhi



Ajit Kumar Singh, Ashutosh Joshi and Y.P. Singh

November 2007

Giri Institute of Development Studies
Sector O, Aliganj, Lucknow

Preface

The present report is based on a diagnostic study of three selected handloom clusters of U.P. functioning in the districts of Azamgarh, Bijnor and Varanasi, which was carried out by us on behalf of the National Commission on Enterprises in the Unorganized Sector, New Delhi. The main objectives of the study were to assess the present condition and the problems being faced by the industry and the weavers engaged in the handlooms sector. The study especially focused on the following issues:

1. Production and marketing structures and supply of credit and raw material
2. Technological upgradation and product diversification
3. Estimates of production, demand, market growth and returns
4. Impact of competition and globalization
5. The outreach and impact of government programmes
6. Alternative intervention strategies
7. Priority areas calling for urgent action by government and other agencies

The study is diagnostic in nature and is based upon a review of documents and studies, interactions with key informants and a small field survey. Intensive discussions were held with key informants such as officials of the Handloom Directorate, owners of large units, master weavers, traders and commission agents in order to gain insights into the sector and its strengths and weaknesses and the problems which it has been facing of late. In addition, a small survey of 93 handloom units and 136 weavers covering all the three districts was also conducted with the help of questionnaires developed for the purpose.

Although based on a small sample the study has helped in diagnosing the present status of the handloom industry in the state and the problems being faced by it. It also throws light on the sad plight of the weavers and their families. The study also shows that the different segments and clusters of the handloom sector face divergent situations and within the overall gloomy picture there are some segments which are doing well. Changes in the product mix and marketing linkages available to the units play an

important role in this context. Strategies, therefore, need to be devised to prepare the handloom sector to face the challenge of changing market demand and competitive situation through appropriate changes in their product, design, technology and marketing strategies. Partnership between the public sector, private sector and the handloom workers need to be built up for facing this challenge. Urgent action is also needed to improve the living conditions of the weavers and their families and provide them social security.

We would like to express our thanks to the National Commission For Enterprises in the Unorganised Sector, Government of India for sponsoring this study. In particular we are grateful for the valuable guidance, advice and help provided by Prof. Ravi Shanker Shrivastava, Member of the National Commission.

We are also thankful to the officials, entrepreneurs and weavers who willingly gave their time and assistance in the conduct of the study.

I also express my sincere thanks to my colleagues Professor Ashutosh Joshi and Dr. Y.P. Singh for undertaking the burden of conducting interviews with the key informants, supervising the field work and preparing the draft report.

3rd November 2007
Lucknow

AJIT KUMAR SINGH
Director

Contents

CHAPTER I

INTRODUCTION

Handloom Industry in U.P.

Handlooms industry is an ancient cottage industry scattered all over the country providing a source of livelihood to millions of people. The industry occupies a prominent position in maintaining the heritage and culture of the country along with playing a vital role in the economy. Long before the industrial revolution took place handloom fabrics made in India had earned a reputation the world over. The Mogul Kings in particular played a significant role in its growth by giving patronage to the craftsmen engaged in manufacture of handloom fabrics. The industrial revolution gave rise to growth of mill made cloth manufactured in the textile mills in England. Consequently the handloom fabrics manufactured in India suffered a big setback during the British rule. However, even today the handloom sector continues to be a source of employment and income generation to a sizeable number of households.

Uttar Pradesh has been a traditional centre of handloom since time immemorial. The handloom industry occupies the second important source of employment generation after agriculture in the state. According to the Handloom Census conducted by the Central Government in 1995-96, there were around 2.24 lakhs handlooms and 6.64 lakhs weavers in the state. Handloom industry is spread all across the state with 31 districts with major concentration of handlooms (Table 1.1). Total production of handloom cloth is estimated presently at 51 crore meters. The famous centres of handloom products of include Varanasi for its silk sarees, Sitapur for its *durries*, Ghazipur for cut-work curtains, Amroha for pile work, Gorakhpur for its bed covers and Ghaziabad for its terry towels.

The handloom industry still has a wide market both within and outside the country even today. However, the industry is plagued with various problems and handicaps. The socio-economic conditions of the weavers are quite pitiable since the earning are rather low and invariably insufficient to sustain the households. A majority of the weavers are living lives of misery, squalor and disease. The present sad state of the handloom sector is the result of various factors such as competition from power looms and mill made cloths, use of traditional technology without much change since generations, inadequate access to credit from the banks and other financial institutions and the exploitative role played by traders and commission agents who corner bulk of the surplus whereas the actual share of the weaver is negligible.

Table 1. 1 : Number of Weavers, Handlooms and Powerlooms in U.P., 1995-96

District	No. Of Handloom Weavers	No. Of Handlooms	No. Of Power loom Weavers	No. of Power looms
Lucknow	731	250	114	95
Sitapur	56446	8716	152	107
Rai Bareli	992	249	43	36
Lakhimpur Kheri	1074	337	NIL	NIL
Barabanki	36879	10440	200	77
Hardoi	11301	2764	23	47
Kanpur Nagar	3365	1666	796	955
Kanpur Dehat	960	337	3	2
Unnao	5893	1705	94	25
Etawah	5766	1455	3105	1651
Mainpuri	274	115	NIL	NIL
Farrukhabad	699	426	18	18
Ferozabad	502	117	4	2
Aligarh	14786	4447	94	98
Etah	3918	2359	472	415
Agra	7437	2486	NIL	NIL
Mathura	3668	1415	102	103
Meerut	21579	6368	13308	12006
Ghaziabad	7794	2878	4819	3154
Saharanpur	2714	1252	308	34
Muzaffar Nagar	13653	5178	645	396
Buland Shahar	9760	2353	188	114
Haridwar	2035	660	NIL	NIL
Jhansi	12253	2158	4099	1293
Hamirpur	1286	579	NIL	NIL
Jalone	1515	712	415	193
Lalitpur	642	307	27	28
Mahoba	2481	581	NIL	NIL
Moradabad	41852	9043	117	33
Rampur	30998	3689	12	4
Bijnore	88326	11036	1305	630
Udham Singh Nagar	4580	800	NIL	NIL
Nainital	7	3	NIL	NIL
Almorah	1397	541	NIL	NIL
Pithoragarh	44572	5210	NIL	NIL
Pratapgarh	2091	717	169	141
Allahabad	660	541	1706	3006
Banda	380	128	14	14
Fatehpur	221	258	12	21
Faizabad	69	5	NIL	NIL
Ambedkar Nagar	762	392	22883	12778
Sultanpur	3431	1004	NIL	NIL
Gonda	337	50	NIL	NIL
Bahraich	268	26	NIL	NIL
Azamgarh	53139	20004	2219	1926
Mau	10169	4326	47804	26481
Ballia	2859	703	61	33

Ghazipur	17560	4435	2131	577
Varanasi	124832	75313	2646	1758
Bhadohi	748	82	NIL	NIL
Jaunpur	2816	814	17	8
Sonebhadra	426	175	NIL	NIL
Mirzapur	18873	10054	NIL	NIL
Gorakhpur	6237	7906	1607	1180
Basti	13413	5575	4047	1283
Siddharth Nagar	3266	1864	NIL	NIL
Deoria	142	327	NIL	NIL
Maharaj Ganj	219	161	NIL	NIL
Padrauna	130	115	NIL	NIL
Bareilly	6511	1271	18	22
Shahjahanpur	132	82	NIL	NIL
Badaun	2560	387	50	38
Pilibhit	1486	504	11	12
Chamoli	3622	1205	NIL	NIL
Pauri	19	17	NIL	NIL
Uttar Kashi	477	242	NIL	NIL
Dehradun	411	178	NIL	NIL
Tehri Garhwal	205	142	NIL	NIL
Uttar Pradesh*	**718441**	**233048**	**115957**	**70872**

**including hill districts now in Uttranchal.*
Source: Government of India, Census of Handlooms, 1995-96

Government Programmes

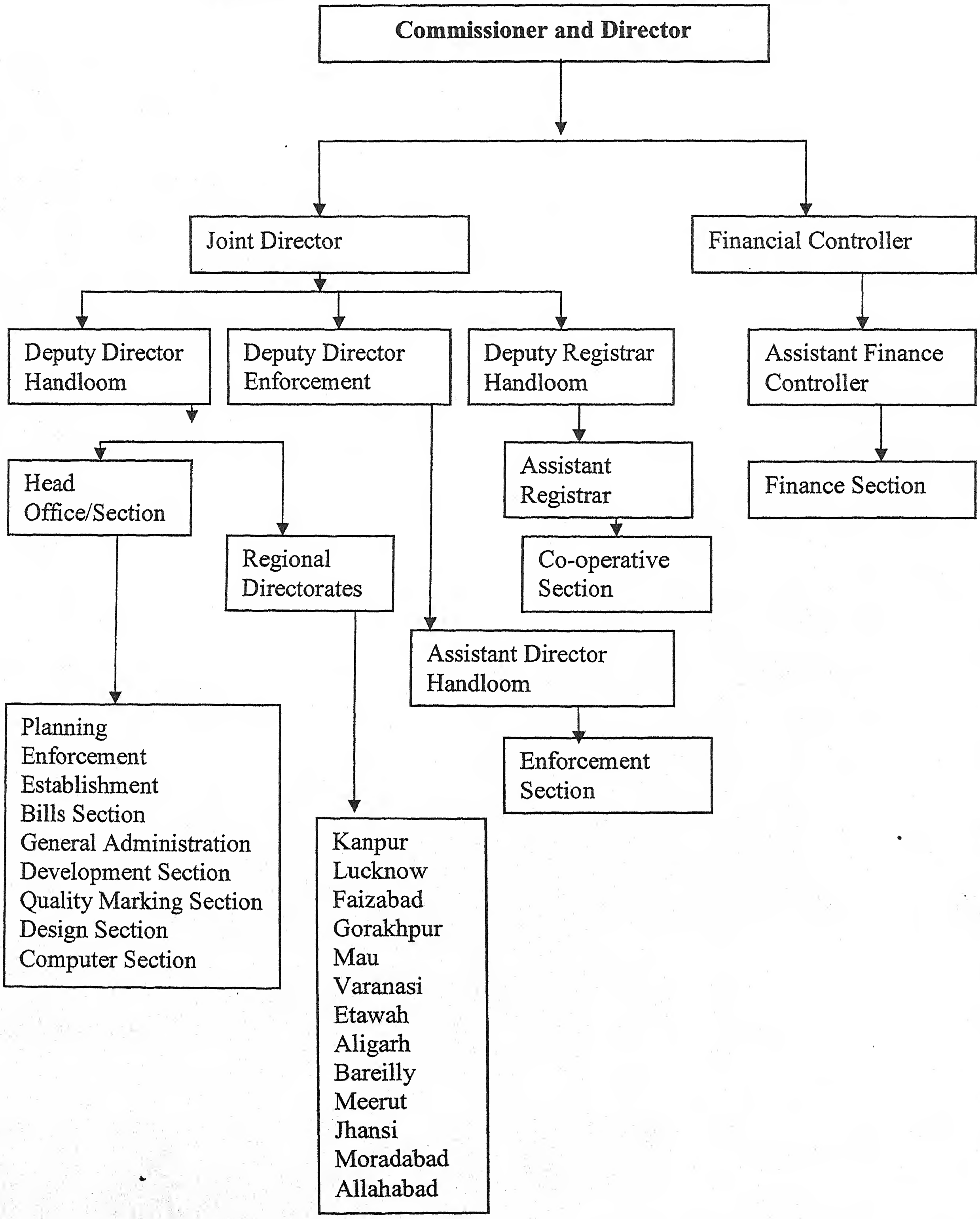
The government has been making efforts to bring about improvements in the handloom industry since Independence. Initially the Handloom Directorate of the State came under the Industries Department. A separate Handloom Directorate was created on 16 September 1972 following the recommendations of Ram Sahay Commission set up by the state government. Its Head Office is located in Kanpur. Figure I presents the organisational structure of the Directorate.

The Handloom Directorate has 12 regional offices in various places within the State which have a few districts under them. These regional offices look after various aspects like implementation of Government Policies, arrange handloom exhibition and fairs and other activities in order to be able to assist the weavers and the handloom sector. All the co-operative societies have to be registered with the handloom directorate. Then only can they avail the various benefits available under the different schemes of the government. Thus, the officials at the regional office also supervise the functioning of these co-operatives.

A very important aspect, which the Handloom Directorate had taken care of, was to develop seven design centers in different parts of the states. The idea was to make weavers aware of the latest technological improvements, to give them training in dyeing and other aspects and

develop new designs to ensure diversification in products. Unfortunately only the design centers at Kanpur and Gorakhpur are partly functional. The remaining centers located at Barabanki, Etawah, Mau, Bareilly and Kashipur (Now part of Uttranchal State) have all closed down. Even in the centers at Kanpur and Gorakhpur not much work is being done and so the very purpose for which these centers were established is being defeated.

Figure 1: Organizational structure of Handloom Directorate



In order to assist the handloom sector the government has introduced a number of schemes to benefit the weavers. A brief description of the schemes is being given below:

i. **Deen Dayal Bunkar Vikas Yojna:** This scheme was launched in the year 2000-01 and it was introduced with the primary objective of providing the basic inputs, improving their internal structure, develop new designs, publicity etc. Besides this it is aimed to strengthen the co-operatives and ensure proper marketing. For these activities the Central Government gives financial assistance to the states. However, the states are expected to contribute an equal amount from their own resources.

ii. **Scheme for Assistance for Marketing of Handloom Products:** From 1989-90 the Development Commissioner, Government of India introduced the scheme to promote sales rather than give rebate on the sale of handloom products. A 10 percent amount of the total turnover of the co-operative societies is paid by the Government since 1.04.1995. Earlier the percentage was 25. It is expected that with this assistance it will be able to reduce the cost of production and improve the infrastructure.

iii. **Fairs and Exhibitions:** In order to promote the sales of products manufactured by handloom industry and to ensure maximum sales at fixed places the Directorate has been organizing fairs and exhibitions since 1995-96. The central Government bears the entire expenditure of these fairs/exhibitions.

iv. **Export Promotion:** The Development Commissioner, Handlooms, Government of India also organizes EXPO (Export Promotion) exhibition for the sale of handloom products which have stocked up over a period of time. During these exhibitions rebate upto 20 percent is given. However earlier only those large co-operative societies could take part in the EXPO whose annual turnover exceeded Rs. 20.00 lakhs. Consequently, the small societies could not avail the advantage of the EXPO. Since May 1997 however the scheme has been modified and even the smaller societies can participate. But the rebate has been reduced to 10 percent.

v. **Productivity Improvement Scheme:** The rationale behind the scheme is to improve productivity and quality of the handloom products. For this there are 23 centers set up in different districts, which have technical experts who examine and verify the quality of cloth and then put the quality seal. To become a member of this scheme the Co-operative Societies have to pay a fee of Rs. 25 while for individuals the fee is Rs. 10. Payment has to be paid only once to become a member. Even the Directorate, Kanpur has a Central Examination Center where the fee is Rs. 40 for physical examination and Rs. 60 for chemical examination.

vi. **Scheme of House-Cum-Shed for Weavers:** This scheme was implemented in 1993-94. Under this scheme there is provision of group housing-cum workshed in urban and semi urban areas. Each unit estimated to cost Rs. 45,000/- of which (i) the weaver share Rs. 5000/; (ii) the Central share Rs. 20,000/-; (iii) Commercial Bank/HUDCO'S share Rs. 20,000/- (Total Rs 45,000/-). Besides this the central Government provides a subsidy of Rs. 7000/- and Rs.9000/- to weavers in rural and urban areas, respectively.

vii. **Insurance Scheme:** The scheme was started in 2003-04 but effectively it came into operation since 2004-05. Under the scheme all weavers between the age group 18-59 years can benefit and insurance coverage is for Rs. 20,000/-. In case of a natural death the payment will be Rs. 20,000/-. But in the case of death or total disability due to an accident the insurance cover is Rs. 50,000/-.

viii. **Mahatma Gandhi Weavers Insurance Scheme:** The scheme was introduced on 19 September 2005 and insurance cover is for Rs. 50,000/-. The annual premium is Rs. 330/- out of which the weaver has to pay Rs. 80/-, Central Government will bear Rs. 150/- and LIC Rs. 100/-. While insurance coverage for natural death is Rs. 50,000/- it is Rs. 80,000/- for accidental death. For total disability coverage is Rs. 50,000/- but for partial disability Rs 25,000/- will be paid.

ix. **Health Insurance Scheme:** The Central Government started this scheme from 9 August 2005 in collaboration with ICICI Lombard. The annual premium is Rs. 1000/- and initially Rs. 200/- had to be paid by the weaver while the rest was to be contributed by the Central Government. However the scheme has been modified and the full premium is paid by the Central Government. The weaver, his wife and 2 children will benefit from this health insurance scheme and a maximum of Rs. 15,000/- will be reimbursed in case of various treatments, which will have to be carried out from hospitals and registered doctors by ICICI Lombard.

x. **Thrift Fund Scheme:** The scheme envisages an annual contribution of Rs. 180/- per weaver to the fund, matched equally by the Central and State Governments. In the event of death, the amount deposited would be payable to the nominee of the deceased.

xi. **Health Package Scheme:** A comprehensive health package scheme has been functioning since 1992-93 to safeguard the health of weavers who are exposed to certain professional hazards leading to disease such as asthma, tuberculosis, gastric and enterological problems. Even for eye testing and glasses special assistance is available.

The latest scheme to be introduced is the **Integrated Handloom Cluster Development Scheme.** This has been floated in this financial year itself (2006-07) and therefore its details are being worked out. Presently the weavers, traders, businessman, commission agents, exporters, suppliers of yarn and other raw materials are working in their own style and there is a lack of co-ordination among them. This scheme envisages integrating the functioning of these individuals so that work related to every aspect in the manufacture of handloom fabrics can be strengthened through proper co-ordination. The idea is to develop clusters where handlooms are concentrated. The Commissioner, Handloom Ministry will be the nodal agency. The nodal agency will be identify a Cluster Development Agent and then the task of the agent will be to conduct a diagnostic study of the cluster and suggest the various areas in which the cluster needs assistance for its growth. Accordingly funds will be released by the Central Government in three installments in ratio of 25:50:25. Presently, three clusters have been identified in U.P., viz. Varanasi, Barabanki and Mubarakpur. The Central Government will give upto Rs. 2.00 crores for the development of each cluster. The respective state governments only have to make land available for the development of the cluster free cost.

Table 1.2 gives details about the resources, which have been spent on various schemes of the government for promotion of handloom.

Table 1.2: Different Schemes, Allocation of Funds and Actual Expenditure

(Rs. In Lakhs)

Name of Scheme	Allocation		Actual Expenditure	
	2004-05	2005-06	2004-05	2005-06 Upto Jan 2006
Deen Dayal Bunkar Vikas Yojna	2000.00	1143.26	1341.09	123.31
Marketing Development Assistance	1006.15	1000.00	655.71	822.52
Fairs/Exhibitions	40.00	40.00	30.00	46.00
Arranging EXPO	38.00	38.00	38.00	38.00
Productivity Improvement	Target not fixed	Target not fixed	0.92	1.00
Residence-cum-Workshed	400.00	218.19	--	--
Insurance Scheme	1.17	1.17	0.945	1.17
Health package	150.00	0.01	--	--
Thrift Fund Scheme	9.96	5.00	--	--

Source: Department of Handloom and Handicrafts, U.P.

Table 1.3 presents a picture of central Assistance provided to U.P. for implementing various schemes, employment generated and production of handloom cloth during the past three years.

Table 1.3: Central Assistance to UP, Employment Generation and Output

Items	2003-04	2004-05	2005-06 (Upto Jan 2006)
Central Assistance (Rs. Lakhs)			
Target	2009.40	2360.95	2242.35
Actual Assistance	732.40	1422.80	1392.85
Achievement (%)	33.15	60.23	62.12
Employment Generation (No. Of Weavers)			
Target	25000	25000	25000
Actual Assistance	19319	25099	18298
Achievement (%)	76.00	100.39	73.21
Production of Cloth (Crores Meters)			
Target	51	51	51
Actual Production	46.41	51.31	39.81
Achievement (%)	91.00	100.06	78.06

Source: Department of Handloom and Handicrafts, U.P.

Besides setting up of the Handloom Directorate the Ram Sahay Commission (1972) also recommended the setting up of Handloom Corporation. The functions of the Corporation were:

a. To encourage the unorganized handloom sector by providing new looms and financial assistance to weavers.

b. To implement schemes to improve the old looms through their modernization

c. To develop design centers to encourage the sector by providing new designs, dyeing centers and fabric printing units.

d. To provide systematic guidance to weavers and give them technical training.

e. To purchase the products manufactures by the sector and arrange for their sale.

f. To make raw materials available to weavers

g. To bring about improvement in the productivity of the weavers

h. To assist weavers in exporting their products.

Accordingly two Corporations were set up by the Government namely UPICA and UP Handloom Corporation. While the task of UPICA was to purchase finished products manufactured by the Co-operative Societies and then sell the same through their retail outlets, the UP Handloom Corporation was setup to serve the interest of individual weavers who were not members of any co-operative society. The corporation was responsible for providing raw materials to the weavers and also purchase their finished products and to sell them through the various show-rooms set up in the country.

So long as these Corporations were functioning smoothly the weavers as well as the Co-operative Societies had little problem in finding a market for their produce and the handloom sector witnesses a period of growth. However, Corporations developed some problems and began to malfunction. This adversely affected the entire handloom sector and consequently the condition of the sector has been deteriorating over the past 8-10 years.

Both UPICA and UP Handloom Corporation were provided an annual budget by the government to strengthen the handloom sector. However, political interference and pressure on the Managing Directors led to overstaffing of the Corporations. Thus, the budget was barely sufficient to provide salaries of the staff. As a result of all other functions were neglected. Added to this was the fact that there were cases of financial irregularities. Moreover, the staff employed in the show rooms, being quasi government employees, adopted an indifferent attitude and so the sales did not pick up. All these factors resulted in the Corporations running into high financial losses and a large number of show rooms had to be closed down. In many cases the staff has not received salary for the past 2-3 years. These factors, which have led to the sorry state of affairs of the Corporation, have contributed to a large extent towards the deceleration in the growth of the handloom sector over the past decade.

Handloom Cooperatives

A major effort to improve the condition of weavers in the handloom sector was to organize them into cooperative societies. Till 31.3.06 a total 5462 cooperatives were formed. However, 2880 of these societies have been closed down. Out of the remaining 2612 societies 993 societies are not functioning reducing the number of actually working societies to 1619 (Table 1.4).

Table 1.4: Registered Handloom Cooperative Societies in UP upto 31.3.2006

Sl. No.	Name of Region	Total Registered Co-operative Societies	Societies Liquidated (Closed)	Working Societies	Non-Working Societies	Total Working and Non-Working Societies
1	Gorakhpur	622	499	92	31	123
2	Varanasi	636	150	354	132	486
3	Mau	854	490	312	52	364
4	Allahabad	98	84	9	5	14
5	Faizabad	278	190	45	43	88
6	Lucknow	444	160	163	121	284
7	Kanpur	438	114	60	264	324
8	Etawah	393	250	113	30	143
9	Bareilly	165	105	36	24	60
10	Aligarh	268	129	39	100	139
11	Meerut	467	342	61	64	125
12	Moradabad	607	286	271	50	321
13	Jhansi	222	81	64	77	141
	Total	**5492**	**2880**	**1619**	**993**	**2612**

Source: Directorate of Handlooms U.P.

The Present Study

A diagnostic study of three selected handloom clusters of U.P. functioning in the districts of Azamgarh, Bijnore and Varanasi was carried out by us on behalf of the National Commission on Enterprises in the Unorganized Sector, New Delhi, with a view to assess their present condition and the problems being faced by the industry and the weavers engaged in the handlooms sector. These districts were selected for the study as they have the highest number of looms as well as weavers among all the 31 districts according to the 1995-96 Census of Handlooms. Also these clusters represent the two major regions of the state, namely, western region (Bijnore) and eastern region (Azamgarh and aranasi).

The study was based on a small survey of the handloom units of each district and of the weavers working on the looms. A separate questionnaire was designed for units and wage earning weavers. A total of 93 units and 136 wage earners was surveyed from the three selected districts. Discussions were also held with some key informants such as officials of the Handloom Directorate, owners of large units, master weavers, traders and commission agents in order to gain insights into the sector and its strengths and weaknesses and the problems which it has been facing of late.

A comparative picture of Handloom Units of selected districts can be seen in Table 1.5.

Table 1.5: Salient Features of Surveyed Units in the Selected Districts

Details	Azamgarh	Bijnore	Varanasi
1. Total Number of Units Covered	33	30	30
2. Religious break-up of Unit Owners (%)			
Muslim	90.91	90.00	56.67
SC	6.06	10.00	6.66
OBC	3.03	--	36.67
3. Percentage of Illiterates	33.33	6.67	16.67
4. Average Size of the Household	9.39	8.53	10.10
5. Average annual income from weaving (Rs.)	34,754	35,367	34,030
6. Registration with a Co-operative (%)	33.33	53.33	63.33
7. Average Number of looms per unit:			
Total	7.12	5.50	4.57
Working	4.21	4.60	3.33
8. Average Number of Paid Hired Weavers per Unit (Skilled)			
At Present	2.67	2.86	2.03
Five years ago	3.24	3.57	3.27

Source: Field Survey

The following features of the surveyed units emerge from a reading of the table:

While 90 per cent of the unit owners were Muslims in Azamgarh and Bijnore, the picture of Varanasi was different with Muslims owing around 57 per cent of the units surveyed by us. Varanasi has a very old tradition of the handloom sector and the work is being done as both by Muslim and Hindu households over several generations.

- Around one-third of owners were illiterate in Azamgarh, but this proportion was relatively low in the case of Bijnore and Varanasi.
- The average size of the households was rather high in all the districts between 8 to 10.
- The average annual earnings per unit were around Rs.34-35 thousand only. Thus, the monthly earnings were not even Rs.3000 per month per household.
- In Azamgarh only one third of the unit owners were members of any Co-operative Society. The proportion was more than half in the other two districts.
- In all the three districts a number of looms were lying idle because of the recent slump in demand for handloom products.
- The slump in demand has also adversely affected the capacity of units to generate employment. About five years earlier units of each district were, on an average, employing over three skilled workers on wages. This number has gone down to below three at present.

Our survey also covered a total of 136 wage earning weavers from the three selected districts. A comparative picture of these wage earners from the three districts is being presented in Table 1.6.

Table 1.6: **Details about Wage Earning Weavers**

Details	Azamgarh	Bijnore	Varanasi
1. Total Sample	47	46	43
2. Caste Category (%)			
Muslim	72.34	69.56	51.16
SC	12.77	4.35	18.61
OBC	14.89	21.74	30.23
3. Illiterates (%)	29.79	8.70	39.54
4. Percentage Living in Pucca Houses	29.79	19.56	27.91
5. Average Size of the Household	10.00	8.15	10.10
6. Average Wages per Day (Rs.)	54.37	70.40	82.00
7. Percentage Getting Wages on Piece Rate Basis	93.62	97.83	95.35
8. Percentage who have changed jobs in last 5 years	57.54	36.96	60.47
9. Percentage of Households with Migration	34.04	28.26	--
10. Percentage of Indebted Households	40.43	30.43	55.81
11. Percentage of Weavers Dissatisfied with Wages	93.62	100.00	86.05
12. Percentage of Weavers who want their children to continue weaving as the main occupation	40.43	63.04	53.49

N.B.: In Bijnore there were some weavers from the general caste category as well (4.35 per cent)

The main features of the wage earners studied by us are given below:

- The majority of the weavers were Muslims. However, nearly half of the weavers in Varanasi and about one-fourth of the weavers in Azamgarh and Bijnore belonged to SC and OBC groups.
- The literacy level among weavers was high-over 90 per cent in the case of Bijnore, around 70 per cent in Azamgarh and around 60 per cent in Varanasi.
- The living conditions of weavers is not very good with only around 30 per cent living in pucca houses in Azamgarh and Varanasi and barely around 20 per cent in Bijnore.
- The average size of the households was found high in all our selected districts, around 8-10.
- The average daily wages were lowest in Azamgarh at Rs.54 and slightly better at Rs.70 in Bijnore and Rs.82 in Varanasi.
- Almost the entire lot of weavers is being paid on a piece rate basis in all our selected districts. The rate depends on the intricacy of the pattern to be woven and the approximate time it takes in completing the product.
- A fairly high proportion of weavers have been changing their jobs by moving from one unit to the other. The reasons either being low wages, irregularity in getting work or even in some cases the unit itself has closed down.
- While among our sample households of Azamgarh and Bijnore we found some family members who had migrated to other places seeking more lucrative avenues of employment particularly during the lean seasons when demand for handloom products declines, not a single migrant was found among the households of Varanasi.
- As a result of the relatively low wages the wage-earning households are forced to borrow money to meet their requirements related to medical expenses, house construction, for repairing or replacing looms or even to meet social obligations.
- Since wages are low an overwhelming percentage is dissatisfied with what they are earning. In fact a very high proportion of weavers do not want their children to continue the family tradition by taking up weaving as their primary occupation.

The detailed findings of the study in the three clusters studied by us are presented in the following chapters.

CHAPTER II

MUBARAKPUR HANDLOOM CLUSTER (DISTRICT AZAMGARH)

I. Introduction

Azamgarh district, which earlier covered the Mau district as well, has a very old handloom sector. Presently handlooms are mainly concentrated in a radius of roughly 10 kms. around Mubarakpur town, which is just around 15-20 kms. from Azamgarh. Handlooms are also found in other areas in a scattered manner. Mubarakpur is the biggest and most important cluster and has a very old past. It is believed that the town of Mubarakpur is over 450 years old. Its old name was '*Tasimabad*'. It has received its present name from Mubarak Shah, a nobleman, who brought with him many weaver families to settle here. Even at the time of the East India Company Mubarakpur was famous for its quality handloom products, which were sent to Delhi, and from there they found markets in far away places in England and the Arab countries.

There was a time when the weavers of Azamgarh, including Mubarakpur, were famous for the silken and cotton products. Of late, however, the work of manufacturing cotton products has become negligible. The weavers are mainly manufacturing silken products at present. Some are also manufacturing synthetic sarees, which are popularly known as 'Art Silk' sarees.

The last Census of the handloom sector conducted during 1995-96 showed that Azamgarh district had a total of 20,004 handlooms and the total number of weavers stood at 53,139. The significance of Azamgarh among the four districts falling under Regional Handloom Directorate of Mau can be gauged from the fact that it alone accounted for nearly 69 per cent of the total powerlooms and around 63 per cent of the total weavers. As a result of the significance of Azamgarh as a handloom production centre and of Mubarakpur in particular within the district, the Regional Handloom Directorate, Mau, has set up a sub-office at Mubarakpur and it has a staff strength of 10 which included industrial supervisors, technical supervisors, etc. It is worth-noting that the main office has a staff strength of 34 including 10 supervisors.

Although no Census of Handlooms has been conducted of late, the officials believe that even at present the number of handlooms will be around 25 thousands and the number of weavers could be around 75 thousands. However, there are periods when actual number of working loom decreases and with that some weavers shift to other occupations. This could happen either with decline in demand for handlooms or if cost of raw materials goes up. Around 70 per cent of weavers are Muslims (Ansari) while the rest are Hindus who are mainly Scheduled Caste.

In order to gain information on the various aspects of the handloom sector of Mubarakpur we developed two sets of questionnaires. One was aimed at collecting information from the owners of handlooms. The other was designed to obtain information from the wage earners, whether those on a daily wages basis or on a piece rate basis.

We also held discussions with some key informants such as the officials from the handloom directorate, owners of large manufacturing units, Chairman of the Co-operative Societies, master weavers, traders and commission agents as they have been closely associated with the handloom sector for quite some time and were able to provide a proper perspective related to the performance of this sector over the past few years and identify the areas of concern because of which the weavers are facing any sort of problem, changes which have taken place in technology or designs, in availability and prices of various raw materials and the trends, which have been visualized in the market conditions and demand for handloom products.

From the perspective of the officials the main problems, which they face, stem from the fact that they are dealing with illiterate minority groups. The department is definitely providing assistance under the schemes of the government and so all the paper work is done by them. However, the main responsibility of implementation of these schemes lies in the hands of the co-operative societies themselves as per the provisions laid down. Yet in case there is any problem and the weavers feel that they have been denied their due, they put the blame squarely on the department. The offices do not have sufficient infrastructure. In fact the sub-office at Mubarakpur is a dingy room where there is hardly any furniture. The room is too small even to accommodate the staff posted in the sub-office let alone for entertaining the weavers or members of the co-operative societies. Handloom activity is spread over the area but the staff has not been provided any conveyance to cover the various villages in order to supervise the functioning of the handlooms. Even the condition of the regional directorate itself left much to be desired. The only advantage it has as a regional office is more space. However, the building is old and very poorly maintained because of paucity of funds. Despite the fact that it is looking after 4 districts it does not have even one official vehicle in its possession.

Areas of Concentration of Handloom Weavers

(i) Mubarakpur
(ii) Nawada
(iii) Rasoolpur
(iv) Saraiyya

Nawada, Rasoolpur and Saraiyya were selected because they were the most significant clusters of the district. The specific clusters were taken up in consultation with the officials in the Sub-Office of the Regional Handloom Directorate, Mau.

As far as Mubarakpur is concerned, there are mainly four areas where maximum concentration of handlooms and weavers is found. They are Saraiyya, Rasoolpur, Nawada and Mubarakpur itself. The significance of this cluster can be gauged from the fact that it alone accounts for over 60 per cent of the total handlooms of Azamgarh district put together. For our survey we left out Mubarakpur and selected the remaining three areas. We had proposed to cover in the field survey at least 30 manufacturing units and 45 workers from each of our three selected districts. The actual sample, which was covered in Mubarakpur on an area-wise basis, is being indicated below:

Sl.No.	Area	No. of Units	No. of Wage Earners
1.	Saraiyya	11	21
2.	Rasoolpur	12	15
3.	Nawada	10	11
	Total	33	47

II. Analysis of the Handloom Units

As has been indicated above a total of 33 units were covered by us from Mubarakpur. All were taken from rural areas. All the units were male headed and except for 3 units of Nawada all the rest were owned by Muslim weavers. Their age group varied from below 25 to above 55 years and the overall average age worked out to around 38 years. Around one-third of them were illiterates while an equal proportion had received schooling upto the Primary level. Around one-fourth had received education upto High School level or above. Since it is a traditional occupation being carried out for generations people have learnt weaving in an informal way. However, we found six persons who began their weaving career as wage earners and learnt the art of weaving working on looms of their employers and are now skilled weavers. Thus, they are the only ones who have been formally trained by some master weavers (for all the relevant details on an area-wise basis, please refer to Table 2.1).

Table 2.1: **General Information about Unit Owners**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Caste of Respondents				
Scheduled Caste	—	—	2	2
Other Backward Caste	—	—	1	1
Muslims	11	12	7	30
Total	11	12	10	33
2. Age Break-up of Respondents				
Below 25 years	1	1	2	4
25 – 40 years	5	4	4	13
40 – 55 Years	5	4	3	12
Above 55 years	–	3	1	4
Total	11	12	10	33
Average Age	36.73	41.17	37.40	38.55

3. Educational Qualification of Respondents				
Illiterate	4	3	4	11
Literate	-	-	2	2
Primary	1	7	4	12
High School	3	2	-	5
Intermediate	2	-	-	2
Graduate and Above	1	-	-	1
4. Type of Training				
Informal	10	10	7	27
Formal	1	2	3	6

Demographic Profile

The age group-wise break-up of the households of our respondents is presented in Table 2.2. The average size of their households is quite high at 9.39 for the entire sample taken together. The family members are distributed in different age groups. Nearly every individual in the working age group is engaged in weaving.

Table 2.2: **Demographic Structure of Unit**

District/ Age Group	Family Size						
	Sex				Working (Weaving)		
	Male	Female	Total	Average size of Households	Male	Female	Total
Saraiyya Upto 15 years	20	23	43		07	10	17
15 – 35 years	10	10	20		09	10	19
35 – 59 years	07	09	16	7.64	07	08	15
Above 60 years	02	03	05		02	03	05
Total	39	45	84		25	31	56
Rasoolpur Upto 15 years	36	23	59		13	03	16
15 – 35 years	26	23	49		26	21	47
35 – 59 years	10	09	19	11.58	10	09	19
Above 60 years	06	06	12		06	06	12
Total	78	61	139		55	39	94
Nawada Upto 15 years	11	16	27		03	07	10
15 – 35 years	14	21	35		14	21	35
35 – 59 years	09	09	18	8.70	09	09	18
Above 60 years	04	03	07		04	03	07
Total	38	49	87		30	40	70
Total Upto 15 years	67	62	129		23	20	43
15 – 35 years	50	54	104		49	52	101
35 – 59 years	26	27	53	9.39	26	26	52
Above 60 years	12	12	24		12	12	24
Total	155	155	310		110	110	220

Income Levels

As shown in Table 2.3 around 42 per cent are earning below Rs.20 thousand per annum while around 36 per cent are those whose annual income ranges between Rs.20 – 40 thousand. These two categories put together account for around four-fifths of our entire sample. Their

average annual income works out to around Rs.35 thousand per annum which goes to show that on an average the income of a unit owner is below Rs.3000 per month. This average has got somewhat inflated by virtue of those whose income is between Rs.40 and Rs.95 thousand per annum (please see Table 2.3). As is clear from the table that only very few households have any other source of income. It is mainly from agriculture and goat rearing. However, their income is quite low and is unable to make any appreciable impact on their average annual incomes.

Table 2.3: **Total Household Income of the Unit Owners (Per Annum)**

Income Category	Saraiyya	Rasoolpur	Nawada	Total
1. Weaving				
Below 20000	5	3	6	14 (42.42%)
20000 - 40000	3	6	3	12 (36.36%)
40000 - 60000	1	2	1	4 (12.12%)
60000 – 80000	1	--	--	1 (03.03%)
Above 80000	1	1	--	2 (06.06%)
Total	11	12	10	33 (100.0%)
2. Average Income (Weaving)	34027.27	45333.33	22860.00	34754.55
3. Other Sources				
Below 20000	2	3	4	9
Total Average Income (From all Sources)	34481.82	46750.00	24060.00	35784.85

Organizational Details

Only one-third are registered with any co-operative society. Those who are working independently are not registered mainly because they feel that being a member of the co-operative society does not give them any special benefit. In fact to be members of a co-operative society, it is essential to have a group of 21 persons who are willing to form a co-operative. It is, therefore, not always possible to get as many like minded individuals. Moreover, many are of the opinion that the Chairman and other key persons involved in the society enjoy benefits and so for individuals like them it makes no difference even by joining a society. Almost all the units are hereditary as weaving is an occupation which these persons have been carrying on since generations. Only 4 persons in our entire sample were those who have set up their own unit. These are the persons who did not have their own looms but have been able to set up their own unit after 1986 (for details please see Table 2.4).

There were as many as 235 handlooms in possession of our respondents. And this worked out to an average of around 7 handlooms per unit. However, it was found that around 55 per cent respondents owned only between 2-5 looms per unit. The average has got inflated because around 5 units had between 30-40 handlooms each. What is of significance is that only around 60 per cent of the looms are working. The rest have been lying idle because of the decline in production over the years. Production has declined because of high cost of raw material, low demand for silk sarees, competition from powerlooms, etc. (Table 2.4).

Table 2.4: **Details about the Unit**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. **Is your unit registered with any Co-operative Society?**				
Yes	3	5	3	11
No	8	7	7	22
2. **If No, Why?**				
No Benefit	3	5	5	13
No knowledge	5	2	2	9
3. **Since when you started the work?**				
Before 1975	4	8	3	15
1976-1985	6	2	1	9
1986-1995	--	2	5	7
After 1996	1	--	1	2
4. **History of Unit**:				
Hereditary	11	11	7	29
Self-Established	--	1	3	4
5. **If Hereditary, No. of Generations?**				
Two	5	4	3	12
Three	3	5	1	9
Four	3	2	3	8
6. **Total Number of Looms**:				
Actual looms	138	75	22	235
Working looms	94	31	14	139
7. **Main Products**				
Silk Sarees	10	12	8	30
Synthetic Sarees	8	10	10	28
Cotton Sarees	1	2	4	7
Dress Material (Silk)	3	2	1	6
Dress Material (Synthetic)	2	1	--	3
Cotton Curtains	--	2	--	2

Output and Demand Situation

The main products, which are being produced by these units, include silk, synthetic and cotton sarees, silk and synthetic dress material and cotton curtains. However, the main concentration is on silk and synthetic sarees. It may be pointed out that previously only cotton and silk sarees were produced. The cotton saree, which was made in bulk, was the 'Janta Dhoti', which was cheap and meant for the poorer sections of society. The UPICA used to provide raw material and then purchase their entire product. However, the UPICA is not functioning properly because of their own administrative problems and consequently the production of 'Janta Dhoti' has been stopped and this has been a major set back for the weavers some of whom used to earn their livelihood purely from the production of this item.

The silk sarees of Mubarakpur have been in great demand till some time back. The silk sarees of this area are identical to the 'Banarsi silk' sarees and the weavers are equally good and so it is not possible for any one to distinguish between a silk saree manufactured in Mubarakpur from that manufactured in Varanasi. However, over the years a major change has taken place. Silk yarn

has become very expensive and this has resulted in the cost of these sarees going up considerably. Moreover, a major shift is observed among ladies particularly in the lower age group from saree to other dresses such as salwar suit, skirts and jeans. Even among those who continue to wear sarees the demand for the traditional 'Banarsi silk' saree has declined. These are sarees, which are usually worn on special occasions such as weddings. All these factors have contributed to decline in the production of these silk sarees. Their main market now is in the southern states of India where ladies still go for silk sarees (Table 2.4).

Employment

The decline in demand, which has resulted in the closing down of working looms by almost 40 per cent has directly affected the levels of employment as well. Weaving is a traditional activity and the entire household is usually engaged including children as well. The extent to which employment has been adversely affected can be viewed very clearly with the help of Table 2.5.

Table 2.5: **Details of Labourers Employed**

District	Workers	Sex	Type of Workers: Skilled		Semi-Skilled		Unskilled		Total	
			At Present	5 Years Earlier	At Present	5 Years Earlier	At Present	5 Years Earlier	At Present	5 Years Earlier
Saraiyya	Unpaid Workers Family Workers	Male	18	17	--	1	--	--	18	18
		Female	20	16	1	4	--	--	21	20
		Child	8	--	7	12	2	18	17	30
	Hired Workers	Male	90	148	2	--	--	--	92	148
		Female	52	87	--	--	--	--	52	87
		Child	--	--	13	37	2	7	15	44
Rasoolpur	Unpaid Workers Family Workers	Male	38	28	4	3	--	1	42	32
		Female	28	21	6	4	2	2	36	27
		Child	9	2	6	1	1	10	16	13
	Hired Workers	Male	23	70	--	17	--	10	23	97
		Female	12	40	--	8	--	6	12	54
		Child	--	--	5	10	4	3	9	13
Nawada	Unpaid Workers Family Workers	Male	25	23	2	1	--	2	27	26
		Female	26	16	7	4	--	8	33	28
		Child	3	1	5	3	2	9	10	13
	Hired Workers	Male	2	4	--	--	--	--	2	4
		Female	2	4	--	1	--	--	2	5
		Child	--	--	2	3	2	2	4	5
Total	Unpaid Workers Family Workers	Male	81	68	6	5	--	3	87	76
		Female	74	53	14	12	2	10	90	75
		Child	20	3	18	16	5	37	43	56
	Hired Workers	Male	115	222	2	17	--	10	117	249
		Female	66	131	--	9	--	6	66	146
		Child	--	--	20	50	8	12	28	62

The table clearly highlights the fact that 5 years ago these units were employing as many as 353 hired workers (skilled category) and so average employment per unit worked out to 10.7. But at present this number has declined to 181, which is barely 51 per cent of what it used to be. Instead the skilled unpaid family members have increased from 124 five years ago to 175 because the units can not afford to pay wages of hired workers and are even engaging their children for skilled jobs. Even in the semi-skilled and unskilled category a decline is witnessed in number of hired workers. The number of semi-skilled workers have gone up marginally at present as compared to the situation five years ago but the total number of unpaid unskilled family workers has declined on account of the fact that over the years some unskilled individuals have moved up to the semi-skilled category. Similarly even those who were semi-skilled earlier have through practical experience been accepted as skilled workers and are being entrusted to do the main weaving work on the loom (Table 2.5).

Investment Levels

We made an effort at trying to enquire about the initial investments made by owners of the units. Since in a majority of cases weaving has been done by them over a period of upto four generations, a large number have not made investment in purchasing new looms. They have inherited them from their father. Some have had to replace looms, which were too old, and needed replacement, but what every one has done is to spend money on their repair and maintenance. Some did not have the facility of intricate weaving on jacquards and so they have invested on the same. The size of the looms varies depending on the width of the cloth one is interested in weaving. For example if a saree is to be manufactured then its width is around 45 inches, but if a double bed sheet is to be made then one may need a loom large enough to manufacture cloth having a width of 90 to 100 inches. According to the prevailing rates a loom of the size 10 ft. by 8 ft. costs around Rs.12-15 thousand and if a jacquard is also to be attached then the cost goes up to approximately Rs.18-20 thousand.

Since the original investment on the unit was not known we have worked out the approximate cost of fixed investment by these units at the prevailing prices. Since the looms include some with jacquards as well we have taken an average cost of Rs.15 thousand per loom. Since the looms are mainly on their ancestral land we have seen fixed investment only in terms of investment on looms. The details related to investment are provided in Table 2.6. It can be seen that some of the owners of units in Saraiyya and Rasoolpur are affluent people having 25-40 looms. The average fixed investment per unit works out to Rs.1,88,180 and Rs.93,750 approximately in these two areas respectively. In Nawada on the other hand half the units were those where the owner had a single unit only and even in the rest the number of looms varied

between 2-5 per unit. Consequently the figure of per unit fixed investment stood much lower at Rs.33,000 only.

Table 2.6: **Details about Investment in the Units**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Fixed Capital Invested on Looms (Rs.) (Average Per Unit at Present Prices)	188180	93750	33000	106820
2. Have you invested during the last 5 years?				
Yes	10	9	8	27
No	1	3	2	6
If Yes, source of funds (Multiple response)				
Own Savings	8	7	6	21
Friends/Relatives	2	1	2	5
Co-operative Society	2	1	3	6
Bank	--	1	--	1
Average investment per unit per annum (Rs.)	1390	3015	1010	1865

We have figures of the investments made by these units over the last five years. As many as 27 (approximately 82 per cent) units have made some investment towards the repair and maintenance of the looms. People have borrowed from more than one source. A majority of them have managed to meet the requirement from out of their own savings. However, a few have taken help of friends/relatives or the co-operative society whose membership they hold. Only one individual has taken loan from a bank. The average investment per unit varies between around Rs.1000 to around Rs.3000 per year in the three areas surveyed by us and the overall average annual investment works out to approximately Rs.1865. These figures indicate that repair and maintenance of the looms is not a very expensive proposition (Table 2.6).

Raw Material

Raw material is the crucial input which determines the cost of production of handloom products. It was essential to find out all relevant details related to type of raw materials being used, their availability, trends in prices and problems, if any, in their availability. This information has been tabulated and is being presented in Table 2.7. The main raw materials, which are being used are silk yarn in which there are two main varieties. One comes from China and this has become most popular over the past few years. The other is silk yarn produced in Karnataka. In order to produce art silk (synthetic sarees) synthetic yarn is also an important raw material. Only two units of Nawada in our sample were also engaged in production of cotton products and they are using cotton yarn as well. Some of the other items used in the production of silken handlooms are 'Zari' and silken thread for embroidery and also 'Meena'. Although these raw materials are available in the local market and markets within the district is observed that dependence on the market is

minimal. The most important source of procuring raw materials is through the co-operative societies. Since the Chairman of these societies are generally well off individuals they are in a position to obtain orders. They then purchase raw materials in bulk keeping in mind the various requirements of the work order and then pass it on to the weavers. In fact it is common to find that they supply raw material even to weavers who are not members of the society. Another source of raw material availability, although less significant than the co-operative society, are the traders who also procure orders through their connections and then get work done from the weavers by supplying the raw materials. In the case of both co-operative society as well as the trader the weaver is then bound to sell his product to the person who had provided the raw materials (Table 2.7).

Table 2.7: **Details about Raw Material**

Details	Saraiyya	Rasoolpur	Nawada	Total
I. Raw Material Used				
1. Chinese Silk Yarn	10	12	8	30
2 Silk Yarn from Karnataka	9	9	3	21
3. Synthetic Yarn	8	10	10	28
4. Zari	11	12	10	33
5. Meena	10	12	10	32
6. Silken Thread (For Embroidery)	5	9	4	18
7. Cotton Yarn	--	2	--	2
II. Source of Raw material				
1. Local Market	2	3	-	5
2. Within district	-	1	--	1
3. Trader	3	3	1	7
4. Co-operative Society	8	8	9	25
III. Type of Problem				
1. Cost is rather high	7	7	6	20
2. Supply is inadequate	2	1	3	6
3. Problem related to quality	3	2	2	7
4. Problem related timely supply	6	5	4	15
5. No problem	-	3	2	5

The various problems which the weavers face with the raw material are that the prices of raw material particularly silken yarn have not only been following an increasing trend but also that there are frequent price fluctuations. These tend to upset the entire scheme of things particularly if prices go up when a work order is in hand. The prices had been quoted on the rates, which existed at the time when the order was executed. And so a price rise while production is to begin automatically affects their profit margins adversely.

Secondly as long as PICUP was active the weavers used to get raw materials from them at rates, which were reasonable. PICUP has become ineffective of late and there are no other

government sources through which raw material is available on a regular basis and at reasonable prices. Added to it is the fact that since the raw materials have to be purchased from the open market there is a tendency by the traders of raw materials to exploit their helplessness. Along with prices even good quality yarn at times is not available.

As far as the Chinese silk yarn is concerned, it has a 30 per cent anti-dumping duty. This means that prices get substantially inflated. This is the yarn, which is being used more extensively. All these factors add to the problems of weavers with respect to availability of yarn in particular (Table 2.7).

Marketing

Looking at the marketing arrangements of the handloom products it is observed that it has a direct link with supply of raw materials. It has already been pointed out that the pattern, which has emerged over the last decade or so, the weavers are heavily dependent on the traders and co-operative societies for meeting their raw material requirements. The traders are rich and influential people and have developed contacts over the years with large number of buyers all over the country. Even those heading the co-operative societies have been able to obtain work orders from various agencies who are selling handloom products not only in different showrooms in the country but are also exporting them in various countries. In the course of our survey we were able to contact a few such persons who are sending products directly to Delhi or South India or other places. In fact some even have their own showrooms. By virtue of the fact that such people are providing the raw materials to the weavers and also giving them the design for sarees and dress material, etc. they are then also purchasing the finished products from the weavers. In the recent time, therefore, sale of products in the local market and other nearby markets has been adversely affected. So long as people could obtain their own raw materials they had the opportunity to sell in the open market and obtain reasonable profit. At present if a weaver wants to sell in the local 'haat' or nearby market he is hardly able to get a reasonable price for his products. Over the years the initiatives by the government to set up handloom exhibitions and fairs has also been declining. These exhibitions were an easy means of clearing the stock of handloom products manufactured and earn for their subsistence. There was provision of providing rebate on the price and this rebate was subsidized by the government (please see Table 2.8).

All these problems associated with marketing arrangements means that the weaver is not getting a proper price for his products. He is highly dependent on either the co-operative society or the trader for procuring order. Even the payments made to him are not always regular.

So far the description given relates to the plight of the ordinary weaver. As compared to them if we look at those large units which are owned by master weavers, Chairmen of Co-operative Societies or even traders and commission agents it is found that they are not facing too many problems in marketing their products because of their contacts. In fact they claim that even the ordinary weaver is able to earn his livelihood by virtue of their ability to get work orders from various places.

Table 2.8: **Marketing Arrangements of Handloom Products**

Details	Saraiyya	Rasoolpur	Nawada	Total
I. Marketing Arrangement				
1. Sold in local market	1	1	--	2
2. Sold in other places	1	2	1	4
3. Output taken by intermediary/co-operative societies	10	10	9	29
4. Trader	1	1	--	2
5. Exhibition	1	1	--	2
6. Retailer	1	1	--	2
7. Government Agencies	--	1	--	1
II. In Case Working Intermediary/Cooperative Society, How does Arrangement?				
1. Raw Material are provided	7	8	9	24
2. Credit is provided	1	1	2	4
3. Raw material and credit both are provided	--	1	2	3
4. Only order are placed	2	2	1	5
III. Problem Faced while working Intermediary and Co-operative Societies				
1. Low piece rate	8	7	9	24
2. Irregularity in getting work	7	5	4	16
3. Timely not getting raw material	3	2	3	8
4. Late payment	6	5	6	17

Till very recently the demand and marketing situation was not grim at all. Although changes in the demand pattern particularly for silk sarees had began to appear. Mubarakpur was still an important market for handloom products and daily market was held in which traders from Varanasi and various other parts came regularly. It is reported that 5-10 truckloads of products were sold on a daily basis in the market of Mubarakpur. Unfortunately there was a Shia-Sunni riot in the year 2000 following which the traders were scared to even enter Mubarakpur. People started selling their products in the Varanasi market where they were not paid on the rates, which they would have received in their own market. Things have not improved since then and the worst sufferers have been the poor weavers. They are living lives of poverty, their houses are unhygienic and are prone to serious illness.

Trends in Output Level and Cost of Production

As a result of the changes in prices of raw materials as well as in the demand conditions it was worthwhile to find out how the units had fared over the last five years. The results of our findings are presented in Table 2.9. It is brought out very clearly that around 91 per cent units have reported a decline in their total output over the last five years. Only those with very good contacts have reported no change in their levels of output. However, there was not even one unit, which has reported an increase in output in recent times. This means that even the bigger units have been adversely affected. We have received multiple responses. The main reasons for decline in output are decline in demand whether it is local, state or in the other states. Because of this decline even the orders, which they receive from co-operative societies and traders, has declined. Another significant factor is that exhibitions are not being held regularly. These exhibitions provided an assured market for their products.

Similarly another 91 per cent respondents have reported that the cost of production has gone up over the past five years. Two-thirds of them have put increase in cost of production of over 20 per cent while the rest feel that costs have gone up by 10-20 per cent over this period.

Table 2.9: **Comparative Picture of the Units Since last Five Years**

Comparative Details	Saraiyya	Rasoolpur	Nawada	Total
1. **Changes in Output**				
No change	1	2	--	3
Output Decreased	10	10	10	30
2. **Factors contributed to decrease in output:**				
Change in local demand	5	6	4	15
Change in demand in other parts of state/country	4	2	2	8
Handloom exhibitions are not held regularly	3	2	4	9
Change in order placed by the intermediary	7	8	6	21
Competition from powerlooms	2	2	3	7
3. **Has cost of production increased last five years**?				
Yes	10	12	8	30
No	1	--	2	3
4. **If Yes, how much?**				
Cost up by over 20%	8	8	6	22
Cost up by 10-20%	3	4	4	11

Technological Change

If we look at the technology adopted by the weavers in Mubarakpur nothing has changed over generations. Even today the weavers are weaving on pit looms. However, the change, which can be visualized, is in changes, which have been introduced by way of new designs and products. Another change, which can be seen is that, the quality of colour dyes has improved and fast

colours are now being used. If we look at Table 2.10, it is found that only around half of our respondents have adopted these changes One of the reasons for this is that adopting a new design is an expensive proposition. The new design is first painted on paper and is then transferred on a graph paper. Only after the graphic pattern is ready that it can be punched on cards, which are then attached to the jacquard before weaving. In getting this job done cost is involved and not every weaver can afford the same. It is generally observed that the owners of larger units are generally in a position to switch over from one design to another. The cost of production may go up to even 20 per cent in the process of adopting new designs. However, for those who can afford the change benefit because the new designs are able to fetch higher prices thereby leading to higher profits.

Table 2.10: **Changes in Technology/Design**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Have you adopted the changes in design, etc.				
Yes	6	6	4	16
No	5	6	6	17
2. If Yes, Nature of Change:				
In Design of Products	4	5	4	13
Using better quality dyes	2	1	--	3
3. Has the cost of production gone up because of the change adopted?				
Increased upto 10%	2	1	2	5
Between 10 – 20%	3	4	1	8
Above 20%	1	1	1	3
4. Has Income also increased after adopting changes:				
Yes	5	4	4	13
No	1	2	--	3

Another thing, which has changed in the products, is the fact that many units have switched over from production of silk sarees to synthetic sarees. This change has been necessitated by the fact that silk yarn is very expensive and also because the powerlooms of Surat are manufacturing synthetic sarees at much lower prices and have been copying designs of silk sarees.

The other change, which has taken place in recent years, has been some shift from complete dependence on saree production to the production of dress materials both silken and synthetic in tune with the changed demand pattern. Some units have realized the significance of diversification but unfortunately their number is still limited. The earlier they can appreciate the changing requirements the better it will be from the point of view of their ability to cater to the demand conditions.

Indebtedness

Two-thirds of our respondents are presently in debt. Loans have been taken mainly from the co-operative society or from their friends and relatives. A few have also taken loan from the traders. However, the number of people taking bank loan is negligible. This is primarily because there is no special provision for weavers for accessibility to loans on reasonable rates of interest. Loans have been taken either for purely personal reasons like social ceremonies or even basic needs like purchasing foodgrains. Loans, which have been taken with the unit in mind have been for purchase of raw materials, purchase of loom or construction of shed. The amount of loans taken is not much in general but the overall average works out to Rs.23610 because one big unit has taken a loan of Rs.3.5 lakh for construction of house and shed (Table 2.11).

Table 2.11: **Situation related to extent of Indebtedness**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Are you in debt presently?				
Yes	5	11	6	22
No	6	1	4	11
2. If Yes, to whom?				
Friends/Relatives	1	4	2	7
Co-operative Society	2	4	2	8
Intermediary/Trader	1	2	2	5.
Bank	1	1	--	2
3. Reasons for taking loan?				
Social ceremony	1	5	3	9
House/Shed Construction	1	2	2	5
Purchase of Raw Material	1	2	--	3
To meet food requirement	2	2	--	4
Purchase of Loom	--	--	1	1
4. Average Amount of Loan per Indebted Household (Rs.)	8000	38230	9330	23610

III. Government Programmes

At present there are various schemes of the government to provide assistance to the weavers. In the case of Azamgarh it is observed that only around two-thirds of the units are aware about them. It needs to be highlighted that only those who are members of a co-operative society are eligible for benefits under them. The schemes, which are being availed are Deen. Dayal Hathkargha Protsahan Yojana and Health Insurance Scheme. Tin sheds were provided under the Deen Dayal scheme but it is reported that the quality of shed was not good because the loan amount was insufficient. The Health Insurance Scheme, which is being run in collaboration with ICICI Lombard has an annual premium of Rs.1000 per weaver. Till last year every individual had to pay Rs.200 while the rest was contribution of the Central Government. As a result many people

were reluctant to spend even Rs.200/-. However, from the year 2006 the weaver's share has been fully waived off and the entire premium is borne by the government.

In the views of the unit owners the two main problems which they are faced with are availability of good quality raw material at reasonable rates and the marketing of their products. The other aspects are the non-availability of bank credit on low rates of interest, power problem, lack of government support to the sector and competition mainly from the powerlooms. The suggestions which they offer for bringing about improvements in the condition of weavers and to ensure sustained growth of the handloom sector are proper marketing arrangements. This can be ensured by making PICUP and U.P. Handloom Corporation as effective as it used to be, and by enforcing the order passed by Ministry of Textiles in 1996 under which 11 products are exclusively reserved for production under the handloom sector. Along with this the Government must lay more stress on organizing exhibitions and fairs, as was the case till some years earlier because it was an effective way for ensuring sale of handloom products. For dealing with their problem related to raw material they feel that the government should set up depots where they can purchase silk or cotton yarn in adequate amount throughout the year at reasonable rates.

Since the handloom sector is important in the state from the point of view of employment as well as income generation the government should introduce schemes for providing credit to them at reasonable rates. Credit cards should be distributed to them as are given to the cultivators (Kisan Credit Cards) and credit should be made available at low rates of interest.

The weavers also feel that training centres should be set up which would not only assist them by making them aware of the latest designs but in making them available as well. At present only those with adequate resources are capable of obtaining these designs and adopting them. Improved designs leads to higher cost of production but also to increased earnings once the products are sold in the market as they fetch better prices which offset the cost of obtaining the design. Even the ordinary weavers could avail the benefits of higher earnings if the designs could be available to them at reasonable rates. The other important problem which needs to be solved is that they are using the traditional means of dyeing and bleaching at the domestic level itself. This is suitable so long as the quantity of yarn to be dyed is upto a fixed weight. As soon as a bigger order is to be executed and the same colour product is to be produced it means that the weight of yarn to be dyed goes up automatically. In the absence of more scientific and modern dyeing plants, the yarn can not be dyed evenly over its entire length. Even if you dye it in two batches it becomes difficult to get the identical colour. Consequently the order may even be cancelled if the sarees are not of the same colour as per the order. The training centres could also prove beneficial in solving this problem.

IV. Conditions of Wage Labourers

In this section we will focus our attention on those weavers who are basically wage earners. The total sample covered by us was 47. All of them do not have their own loom. The details of information related to the respondents are provided in Table 2.12.

Our respondents were mainly concentrated in the age group between 25-40 years (almost 50 per cent). The rest were almost equally divided in the age group below 25 years and those between 40-55 years. The average age worked out to be 33 years for the entire sample. Almost three-fourths of our sample constituted of Muslims. The rest were either Scheduled Castes or belonging to the OBC category. Only around 30 per cent of the respondents were illiterates. The rest could either read and write or had received some schooling. However, among those who had received schooling around one-third of the total sample had only studied upto the primary level (Table 2.12).

Table 2.12: **General Information about Weavers**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Age-wise break-up (Years)	8	3	2	13(27.66%)
Below 25	10	9	4	23(48.94%)
25 – 40	3	3	4	10(21.28%)
40 – 55	--	--	1	1(2.12%)
Above 55	21	15	11	47 (100.0%)
Average Age (years)	29	35	38	33
2. Caste Category:				
SC	--	--	6	6 (12.77%)
OBC	--	6	1	7 (14.89%)
Muslim	21	9	4	34 (72.34%)
3. Educational Qualification:				
Illiterate	3	7	4	14(29.79%)
Literate	5	2	2	9(19.15%)
Primary	10	4	1	15(31.91%)
High School & Intermediate	3	1	3	7(14.89%)
Graduate and above	--	1	1	2(4.26%)
4. Marital Status				
Married	14	15	9	38(80.85%)
Unmarried	7	--	2	9(19.15%)

Demographic profile of the household of wage earners is given in Table 2.13. The average household size was found to be large at around 10. $7 per cent of household members were females. Work participation rate was very high at 58 per cent. There were 3.4 male workers and 2.5 female workers per household. Child labour constituted 26.9 per cent of household workers. About 39 per cent of boys and 29 per cent of girls below 15 years were reported to be working in the weaving industry along with their parents.

Table 2.13: **Demographic Structure of Households of Wage Earners**

Village/ Age Group		Family Size: Sex: Male	Female	Total	Average size of Households	Working (Weaving): Male	Female	Total
Saraiyya	Upto 15 years	63	49	112		17	16	33
	15 – 35 years	36	30	66		34	28	62
	35 – 59 years	21	20	41		17	15	32
	Above 60 years	6	8	14		3	4	7
	Total	126	107	233	11.00	71	63	134
Rasoolpur	Upto 15 years	31	28	59		19	7	26
	15 – 35 years	18	22	40		13	14	27
	35 – 59 years	12	12	24		11	8	19
	Above 60 years	6	5	11		3	1	4
	Total	67	67	134	8.90	46	30	76
Nawada	Upto 15 years	22	23	45		9	6	15
	15 – 35 years	21	14	35		19	10	29
	35 – 59 years	10	8	18		10	6	16
	Above 60 years	4	3	7		3	2	5
	Total	57	48	105	9.50	41	24	65
Total	Upto 15 years	116	100	216		45	29	74
	15 – 35 years	75	66	141		66	52	118
	35 – 59 years	43	40	83		38	29	67
	Above 60 years	16	16	32		9	7	16
	Total	250	222	472	10.04	158	117	275

If we look at the housing conditions of these weavers it is found that majority of them (around 47.0 per cent) are living in partly pucca houses whereas the rest are almost evenly distributed among those whose residences are fully kutcha or pucca. While around 83 per cent have drinking water facilities, only around 55 per cent have electrified houses. The condition with respect to toilets is even worse with only around 36 per cent having this facility (Table 2.14). The overall average number of rooms per residence works out to just under 4 which includes the kitchen as well. Considering the fact that the average household size is around 10, one can visualize their living conditions.

Table 2.14: **Housing Conditions of Weavers**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Type of House:				
Kutcha	5	5	2	12
Partly pucca	6	8	7	21
Pucca	10	2	2	14
Total	21	15	11	47
2. Total Family members engaged in weaving	134	76	65	275
3. Average Number of Rooms	3.90	3.27	4.18	3.77

If we look at income from weaving of these households, it is observed that almost 60 per cent are concentrated in the income group ranging between Rs.1500 – 2000 per month. Another almost 30 per cent earn even below Rs.1500. Thus, these two categories taken together account for nearly 90 per cent of our total sample. The rest are earning above Rs.2000 per month. Here it is to be kept in mind that income is determined by three factors. The first is the volume of work, which they are able to do over a period of one month. This is governed not only by their work efficiency because in a given time period one weaver may be able to weave more than his/her counterpart. The second is the volume of work, which their employer has. There are periods when work order is for a large number of sarees or dress materials and then there are the lean periods as well. The third factor, which also contributes towards their income, is the quality of weaving. The wage rtes get higher as we move from weaving of plain cloth to more and more intricate designs. The overall average monthly income per household works out to approximately Rs.1630. This is the average income, which they have been earning over the last six months or so. Earlier when things were better they have enjoyed higher incomes (Table 2.15).

Table 2.15: **Total Household Income (Per Household)**

Income Category	Saraiyya	Rasoolpur	Nawada	Total
1. Weaving				
Below 1500	8	3	3	14 (29.79%)
1500 - 2000	11	11	6	28 (59.57%)
2000 - 2500	2	1	1	4 (8.51%)
Above 2500	--	--	1	1 (2.13%)
Average Income (from Weaving)	1601	1640	1677	1631 (100%)
2. Labour				
Below 1500	3	--	3	6
1500 – 2000	--	--	1	1
3. Agricultural and Animal Husbandry				
Below 1500	3	5	2	10
Total Income from All Sources	1841	1833	2347	1961

Only a handful of our respondents (approximately 21 per cent) have a secondary occupation such as working on their fields, rearing goats or working as daily wage earners during periods of no work. The income from secondary sources too is limited and even if this income is included the average household income goes upto around Rs.1960 only (for details related to household income, please see Table 2.15).

All the workers in our sample except for one were skilled workers. Around 61 per cent workers acquired the kill in weaving from their family members and another roughly 21 per cent from a master weaver. The remaining received assistance from their friends in acquiring skill (for details please see Table 2.16). As has been indicated earlier the various products manufactured include silk and synthetic sarees and dress materials. In our sample the respondent was involved in

weaving more than one item. Thus, we find that every one was weaving synthetic sarees while around 89 per cent were also weaving silk sarees. The proportion of those weaving dress material was low at around 19 per cent only. Besides weaving there are other activities also involved in the manufacture of woven products such as dyeing and bleaching of yarn which require skills. In our sample we had around 3 individuals engaged in such work.

Table 2.16: **Details of Work and Wages of Workers**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Category of workers:				
Skilled	21	14	11	46
Semi-Skilled	--	1	--	1
2. How did you acquire skill:				
Family members	18	7	4	29 (61.70%)
Master Weaver	2	4	2	10 (21.28%)
Friends	1	4	3	8 (17.02%)
3. Activities engaged in:				
Weaving silk sarees	20	14	8	42 (89.36%)
Weaving synthetic saree	21	15	11	47 (100.0%)
Weaving Dress material	4	1	4	9 (19.15%)
Other skilled activities	--	--	3	3(6.38%)
4. System of Wage payment:				
Daily Wages	--	--	3	3 (6.38%)
On piece rate	21	15	8	44 (93.62%)
5. Average Daily Wages (Rs.)	53.37	54.67	55.90	54.37
6. Are wages paid on time?				
Yes	18	13	10	41 (87.23%)
No	3	2	1	6 (12.77%)
7. Causes for delay in wage payment?				
Will of the employer	2	1	1	4
Non-timely sale of product	1	1	--	2

The method of wage payment is generally on a piece rate basis as indicated by nearly 94 per cent of our respondents. The rest are being paid daily wages. The average daily wages for both categories works out to approximately Rs.54/- per day. To work out daily wages for those getting payment on a piece rate basis we found out the quantum of work done by them during a month and the rate at which payment was made. For example it could be Rs.100/- for a synthetic saree which took on an average 2 days to weave and on this basis we have converted their earnings on a piece rate basis to average daily wages. Around 87 per cent report that there is no delay in payment of wages. The rest who have not been receiving payment on a regular basis says this is so because of the whims of the employer or because the employer himself is unable to receive timely payment after delivery of the work order (Table 2.16).

Since the respondents are all wage earners we tried to find out details related to their place of work, relationship with their employer, shifting employment from under one employer to another etc. These aspects are being analyzed with the help of Table 2.17 given below.

Table 2.17: **Details of the Place of work and other Aspects**

Details	Saraiyya	Rasoolpur	Nawada	Total
1.Description of work place:				
Shed	21	15	11	47
2. Do you receive benefits other than wages?				
Yes	5	5	5	15 (31.91%)
No	16	10	6	32 (68.09%)
3. If yes, type of benefit:				
Loan at time of need	3	5	5	13
Clothes	2	2	--	4
4. Have you changed job in last 5 years?				
Yes	11	10	6	27 (57.45%)
No	10	5	5	20 (42.55%)
5. If Yes, how many times?				
Once	1	1	1	3
Twice	2	3	5	10
More than Twice	8	6	--	14
6. Reasons for change?				
Low wages	7	5	4	16
Work not on a regular basis	3	3	2	8
Closure of Unit	1	2	--	3

Since none of these workers have their own looms every one covered by us is working in the sheds of their employers. These sheds have been constructed within the premises of their own residence. They are either rooms of the residence itself which have been fitted with looms or in some cases the verandah has been suitably altered for this purpose. There were also some who had space within their premises and this was utilized to build a new shed to carry out production.

The sheds which are new have some space between two looms, however the old sheds are cramped to accommodate as looms as per their requirement. These sheds are congested and there is constant problem of insufficient light. The normal pattern which was observed was that one bulb is provided for each loom and is hung directly over the loom where weaving activity is going on. This enables the weaver to change shuttles as and when required according to the needs of the design. But even these bulbs are not of high wattage. The situation becomes really bad when there is power failure. The larger units are having toilets but this is not always the case in smaller units. Poor lighting conditions is adversely affecting the eyesight of weavers and congestion leads to various other health hazards. Consequently a large majority of our weavers are anaemic and prone to illness.

Only around one-third of the weavers had reported that they are receiving benefits over and above the wages. These however are the facility to take loan at time of need as reported by the maximum number of individuals who are receiving these benefits. In the case of very few weavers, they are also being provided clothes from their employers mainly during the festive season such as Id, etc.

The percentage of weavers who have changed their job from one unit to another is around 57 per cent and maximum number have made the change twice or more than twice over the last five year period. The primary factor forcing them to change their job was low wages followed by untimely payment of wages. Some were forced to change since the unit itself had closed down (Table 2.17).

As a result of the demand for handloom products decreasing over the past few years many units have closed down their looms to a minimum as per the present demand situation. This had adversely affected the employment of wage earners. Not only have the local weavers been sufferers but there was a time, not very long ago, that in the area in and around Mubarakpur had over 2000 weavers from Bihar and at present only about 200 remain. In order to find better opportunities of earning in the absence of such opportunities in their own village some family members from our respondent households have been forced to migrate. Table 2.18 provides these details.

From around one-third of these households individuals have migrated and only one worker per household has moved out of his native place. The maximum number has migrated to Delhi while an equal number has gone either to Punjab or Mumbai. Less than half of these migrated workers have found jobs as weavers. The rest are all engaged as wage labourers in non-agricultural activities (Table 2.18).

Table 2.18: **Details of Migration of Weavers**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Have any family members migrated recently?				
Yes	8	4	4	16 (34.04%)
No	13	11	7	31 (65.96%)
2. Place of Migration?				
Delhi	5	3	2	10
Punjab	1	1	1	3
Mumbai	2	--	1	3
3. Type of work being done?				
Weaving	3	--	3	6
Non-Agricultural Labour	5	4	1	10

As a result of the low wages being earned by the weavers, it is quite common to find that they require money to fulfill various needs and so are forced to borrow. In the case of our sample around 40 per cent respondents are presently indebted. For details please see Table 2.19.

Table 2.19 reveals that around 40 per cent of our respondents are indebted. The main source of obtaining loan is their own employer (the unit owner where they are working). Others have taken loans from friends or relatives, shopkeepers from whom they purchase items of their daily requirements and the intermediaries. One individual has also obtained loan from a bank. Most of these loans have been taken either for house construction or for social ceremonies. Besides this the need to fulfill their food requirements and to meet medical expenses have also resulted in taking a loan. The average amount of loan taken by the respondents as a whole works out to around Rs.2411.

Table 2.19: **Details of Indebtedness**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Are you indebted?				
Yes	4	9	6	19 (40.43%)
No	17	6	5	28 (59.57%)
2. Source of Loan?				
Friends/Relatives	1	1	1	3
Unit owner	2	7	3	12
Shopkeeper	1	1	--	2
Intermediary	--	--	1	1
Bank	--	--	1	1
3. Reason for taking loan?				
House construction	1	2	3	6
Social Ceremony	1	4	--	5
Illness	2	--	2	4
Purchasing food	--	3	1	4
4. Average amount of loan per respondent (Rs.)	862	3013	4545	2411

It was important to find out the perception of the wage earners related to their wages, role being played by the government for their upliftment and what else can be done in order to improve their conditions. Details regarding the same can be seen in Table 2.20. Almost 94 per cent of our respondents are not satisfied with the wages which are being paid to them. It is felt that for the level of expertise they have gained having been associated with their activity since early childhood itself the wages do not reflect their productivity levels nor are they sufficient to sustain their households. Out of these around two-thirds feel that they should earn around Rs.150 per day. The rest feel that the minimum wages should at least be Rs.100/- per day.

Table 2.20: **Perceptions of the Wage Earners**

Details	Saraiyya	Rasoolpur	Nawada	Total
1. Do you feel your wages are sufficient?				
Yes	1	2	--	3 (6.38%)
No	20	13	11	44 (93.62%)
2. If No, what should they be?				
Rs.100/- per day	5	6	4	15 (34.09%)
Rs.150/- per day	15	7	7	29 (65.91%)
3. Are you receiving any assistance under the various government schemes?				
Yes	6	2	2	10 (21.28%)
No	15	13	9	37 (78.72%)
4. If Yes, which scheme?				
Indira Awas	2	2	1	5
Health Insurance	4	--	1	5
5. What help do you want from the Government (Multiple response)?				
Access to easy credit	20	11	10	41
Raw material availability	10	3	11	24
Enforcement of minimum wages	13	3	8	24
Marketing of products	6	6	3	15
Set up silk depots	3	8	2	13
6. Do you want your children to continue the traditional work?				
Yes	9	7	7	23 (48.94%)
No	12	8	4	24 (51.06%)
7. Do your children also want to take up to weaving?				
Yes	9	6	4	19 (40.43%)
No	12	9	7	28 (59.67%)
8. If No, what do they want to do?				
Become self-employed	8	6	4	18
Service	4	3	3	10

Barely 21 per cent are availing the benefits of the government schemes such as Indira Awas, health insurance and training. The most important aspect in which the government can assist them is by making easy credit available to them. The other aspects are that the government should ensure that they are being paid minimum wages and that steps to ensure easy availability of raw materials at reasonable rates should be taken care of as a top priority. Raw material availability can be taken care of if the government can set up its yarn depots. Finally the government should devise ways and means to strengthen marketing of their products. Marketing of their products has been adversely affected as a result of the managerial problems of PICUP and UP Handloom Corporation over the past few years (Table 2.20).

As a result of the hardships being faced by them in recent years in particular less than half of our respondents feel that their children should change their profession. The response from the children further confirmed the views of the parents because barely 40 per cent children are willing to take up to weaving as their primary occupation. The rest want to take up some small activity which will make them self-employed while the rest feel that they would be on the look out for some service on growing up (Table 2.20).

V. The Production Process

The process of producing woven silken material, whether it be a saree, dress material or any other item involves a number of processes before the final product is ready.

(i) First of all the silk yarn has to be purchased. As already indicated silk yarn of three qualities is mainly being used. The most important is Chinese silk yarn and is followed by the silk yarn manufactured in Karnataka. Some individuals are also purchasing silk yarn produced in Malda, West Bengal but the quantity of this yarn is limited.

(ii) Grey yarn is purchased from the market and some cloth is prepared after degumming the yarn. Once degumming is done then it becomes soft. However, some sarees are manufactured without degumming the grey yarn.

(iii) The next important process is that of dyeing the yarn into different shades as per the work orders received. This is a very crucial aspect because dyeing should be even over the entire length of the yarn otherwise the shades will be different. The manufacturers have to be particularly careful in the case of orders which require supply of large number of items in one given shade. Variation in shade may lead to cancellation of the order itself particularly when it is to be exported. The dyes themselves are of different qualities. The more expensive ones are used to ensure fastness and brightness of colour. The larger units have their own dyeing plants but he process is manual.

(iv) Once the yarn has been dyed it has to be dried out.

(v) Warping – This process involves doubling of the yarn to make it two-ply.

(vi) Weft preparation – Here too the yarn may have to be plied to 3-4 plys depending on the requirements of a particular item.

(vii) The died and plied yarn is then set on the loom. If the material to be woven is plain cloth then weaving can commence. But if the design is intricate then the yarns pass through jacquard which is placed on top of a loom. The jacquard has as many punched cardboard sheets as the design may require.

(viii) Designing itself is a long drawn process. First a design is conceived and drawn on an ordinary paper by the master designer. He then transfers the design on a graph paper. Now the design is ready to be punched on cardboard cards. This work is handled by expert card punchers. The number of cards to be punched depends on the length and intricacy of a given design. Once the cards are ready as many sarees as one needs can be woven by fixing them on the jacquard.

(ix) In case simple plain cloth is being produced only one weaver is sufficient to operate the loom. However, if the design is intricate or very intricate then two or three weavers work on a saree simultaneously because large number of shuttles of different coloured yarn are required in the weaving process and one individual can not handle so many shuttles.

VI. Analysis of Value Chain

The two major products, which are being produced in Mubarakpur, are pure silk and art silk sarees. We asked the manufacturers to provide details of the cost involved in different processes so that a value chain could be developed in order to understand the extent to which the weavers are being paid remunerative prices for their labour. A value chain has been worked out for a pure silk as well as a synthetic saree.

The cost of making a silk saree (raw material, processing and weaving) is Rs. 865, while its show room price is Rs. 1955. Weaving cost comes to about 46 per cent of manufacturing cost. The share of wages in total price is only 20 per cent. The cooperative society charges a margin of 5 per cent, while wholesale trader/commission agent gets 10 per cent. The profit margin of the show room owner comes to 40 per cent over his purchase price.

In case of synthetic saree the cost of making a saree (raw material, processing and weaving) comes to Rs. 335, while its show room price is Rs. 490. Weaving cost comes to about 30 per cent of manufacturing cost. The share of wages in total price is only 20 per cent. The cooperative society charges a margin of 10 per cent, while wholesale trader/commission agent gets 10 per cent. The profit margin of the show room owner comes to 20 per cent over his purchase price.

Value Chain (i)

Silk Saree- Silken Border with Buti (Zari) Embroidery

Size	Length 6.0 Metres
	Width 115 cms
Time taken for weaving	Around 6 days

Raw Material – Silk Yarn
(a) Warp → 150 gms @ Rs.2200/- per kg = 300/-
(b) Weft → 200 gms @ Rs.1700/- per kg = 425/-
(Fletcher)
(c) Zari → 250 gms @ Rs.160/- per kg = 40/-
Total Rs.765/-

Rs.765/-

Degumming & Dyeing Rs.50/-
Fitting on loom
Wrapping
Joining of yarn } Rs.50/-
Total Rs.100/-

Rs.865/-

Weaving Charges Rs.400/-

Rs.1265/

Margin of the Co-operative Society @ 5% Rs.65/-

Rs.1330/-

Commission Agent/Wholesale Trader @ 10% Rs.133/-

Rs.1463/-

Transportation cost per saree Rs.2/-

Rs.1465/-

Profit Margin of Show Room Owner @ 40% Rs.590/-

Price paid by the Consumer Rs.1955/-

Value Chain (ii)

Synthetic or Art Silk Saree

Size	Length 6.0 Metres
	Width 115 cms
Time taken for weaving	Around 2 days

Raw Material – Synthetic yarn for:
(a) Warp & Weft → 300 gms
@ Rs.300/- per kg = 100/-
(b) Zari, Meena = 25/-
(c) Cotton yarn coloured for border
2o0 gms @ Rs.150/- per kg = 30/-
Total Rs.155/-

Rs.155/-

Degumming	Rs.50/-
Dyeing	Rs. 5/-
Fitting on loom, Wrapping, Joining of yarn	Rs.25/-
Total	Rs.80/-

Rs.235/-

Weaving Charges Rs.100/-

Rs.335/-

Margin of the Co-operative Society @ 10% Rs.35/-

Rs.370/-

Commission Agent/Wholesale Trader @ 10% Rs.37/-

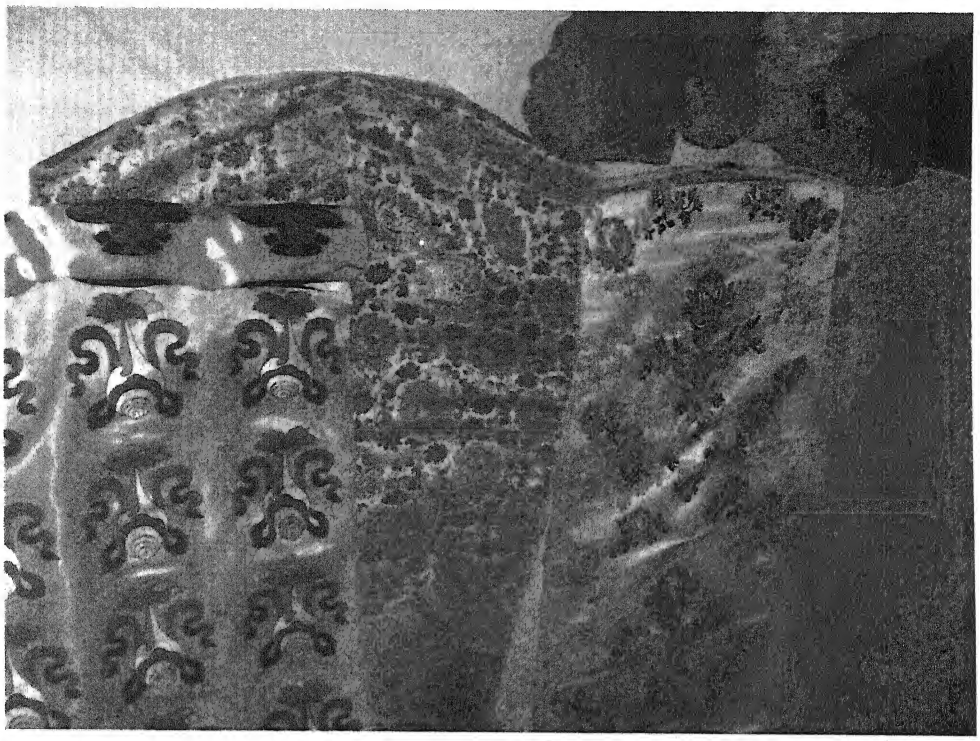
Rs.470/-

Transportation cost per saree Rs.1/-

Rs.408/-

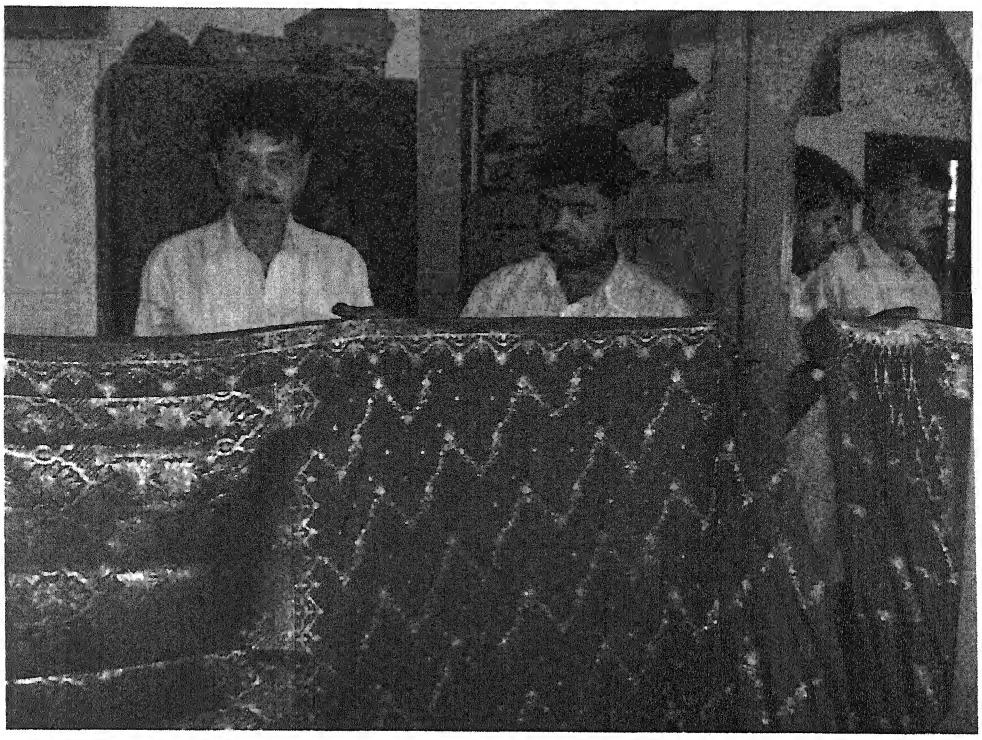
Profit Margin of Show Room Owner @ 20% Rs.80/-

Price paid by the Consumer Rs.490/-



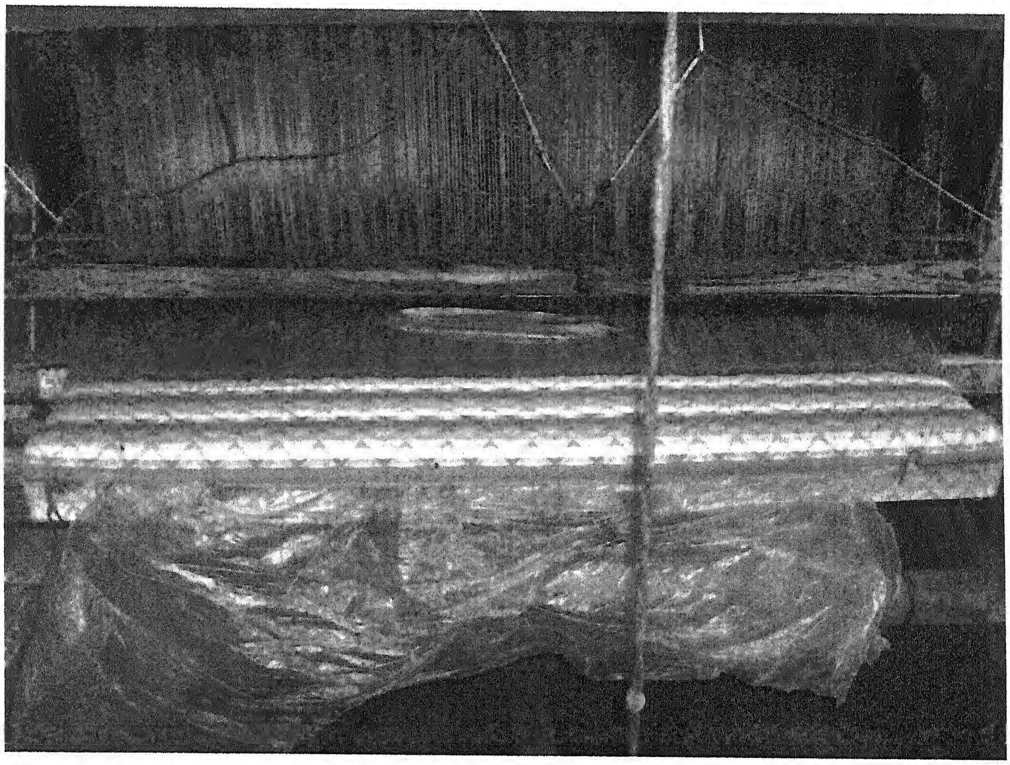
Exquisite silk brocade - Varanasi

Silken Wall Hanging - Varanasi

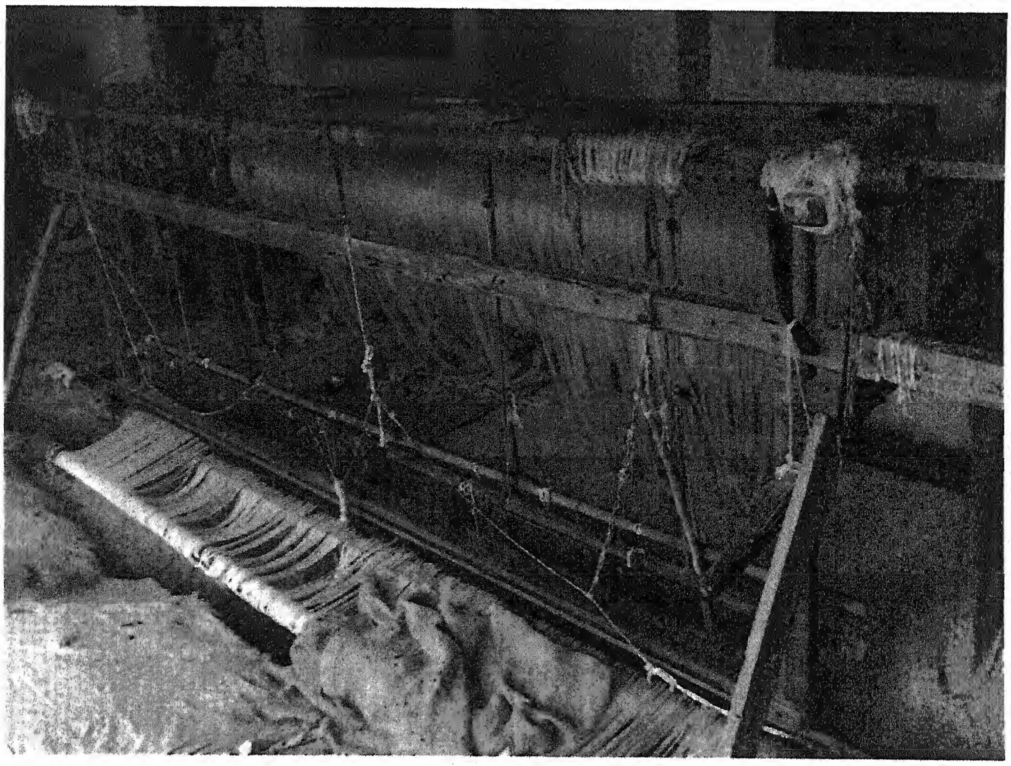


Silk Saree with Zari Work – Mubarakpur
(Azamgarh)

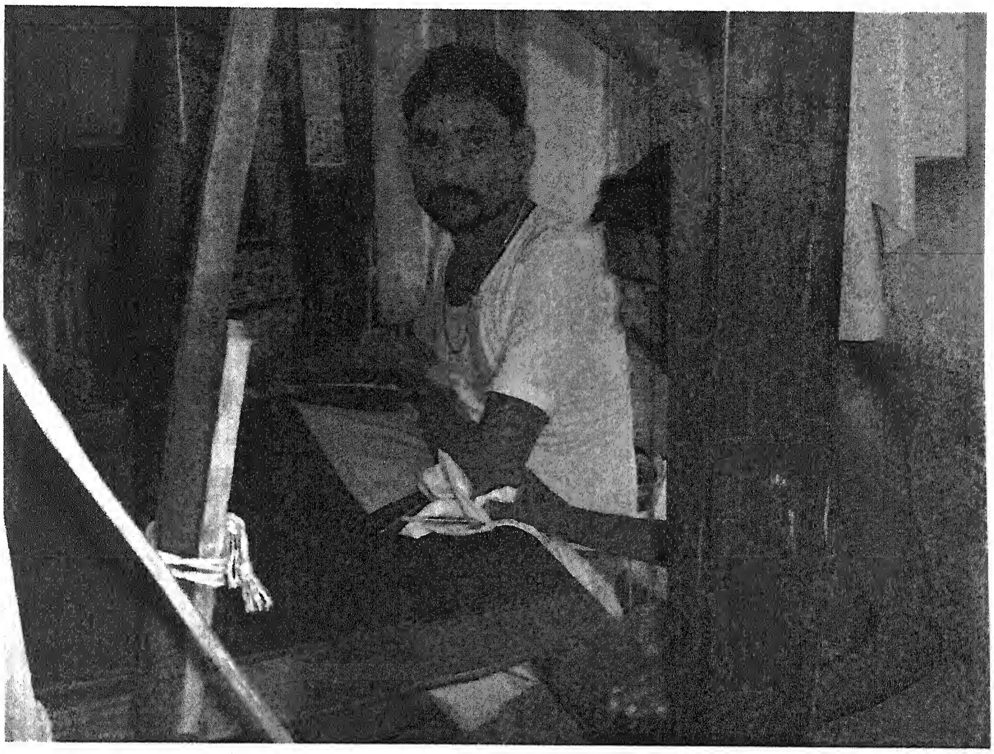
Trader displaying finished Silk Sarees - Mubarakpur
(Azamgarh)



Weaving of Colorful Bed Cover - Bijnore

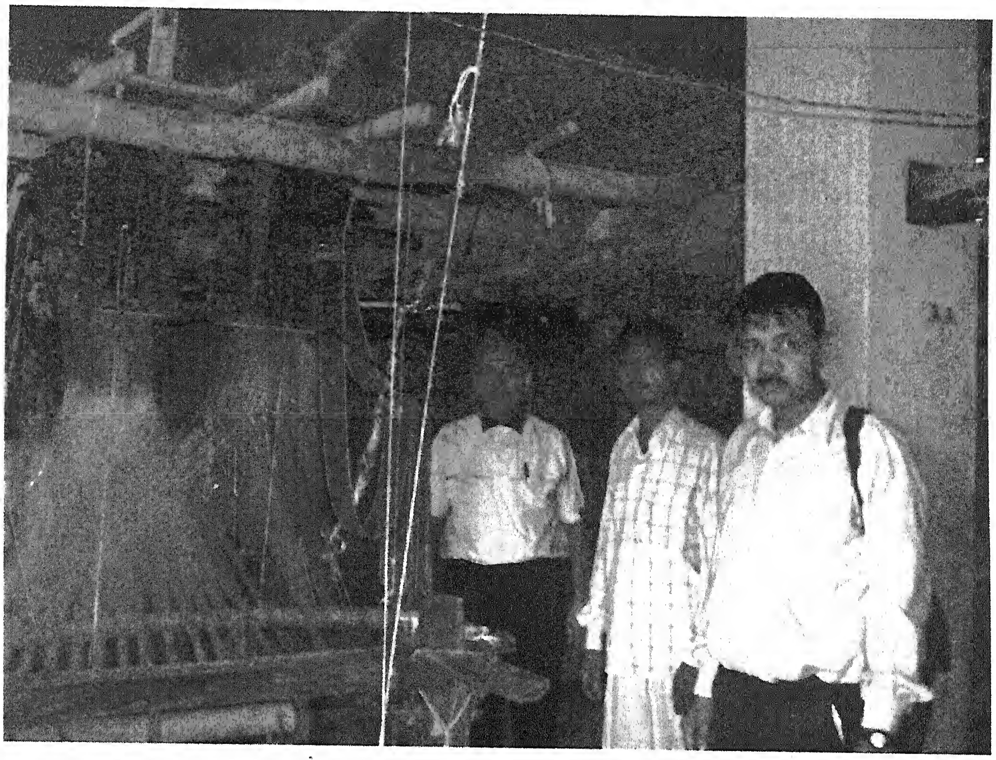


Frame loom in readiness for weaving - Bijnore

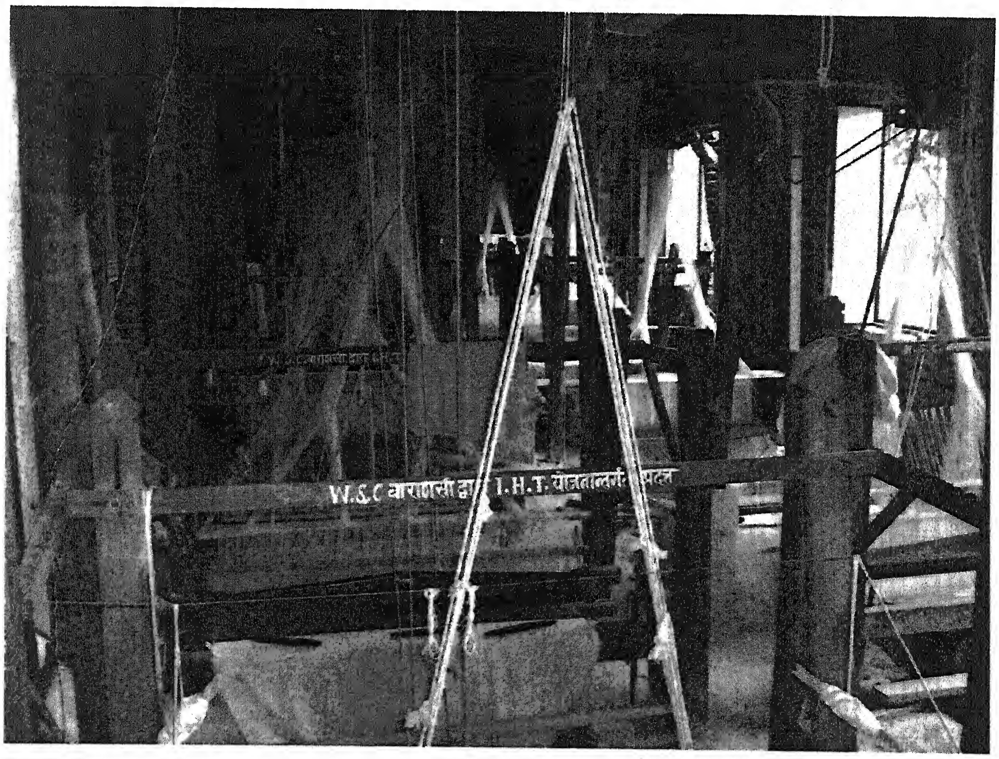


Weaver on the pit-loom - Varanasi

Child extending a helping hand in weaving



Frame loom fitted with a jecquard - Bijnore



Large Hand Loom unit - Varanasi

Raw Material Consumption and Production of Handloom Fabrics (Crude Estimates based on Discussions and Field Observations)

AZAMGARH DISTRICT

- Approximate number of weavers (2006) — 75000
- Approximate number of person days work generated per annum — 216
- Main points:
  (a) Silk sarees
  (b) Silk dress material
  } 80% share in total production
  (c) Art silk sarees
  (d) Art silk dress material
  } 20% share in total production
- Average length of fabric woven per person per day:
  (a) Silk fabric — 1.5 metres
  (b) Art silk fabric — 3.0 metres
- Person days of work generated (Total) — 162 lakh
  (a) Person days spent on silk weaving (80%) — 129.6 lakh
  (b) Person days spent on art silk weaving (20%) — 32.4 lakh
- Estimates of Raw Material Consumption

Raw Material	Quantity (lakh kgs)	Value (Rs. in crore)
(a) Silk yarn (Chinese)	4.86	106.92
(b) Silk Yarn (Indigenous)	6.48	110.15
(c) Zari/Meena	10.61	5.31
(d) Synthetic Yarn	4.86	14.58
(e) Cotton Yarn	3.24	4.86
Total Value		241.82

- Estimates of production (Quantity and Value)

Item	Quantity	Value (Rs. in crore)
(a) Silk Sarees (Nos.)	29.16 Lakh	570.08
(b) Silk Dress Material (Metres)	19.44 Lakh	77.76
(c) Art Silk Sarees (Nos.)	4.86 Lakh	23.81
(d) Art Silk Dress Material (Metres)	3.24 Lakh	2.43
Total Value		674.08

VII. Strength and Weaknesses of the Mubarakpur Cluster

(i) Strengths

- The area has a large number of skilled weavers engaged in the occupation since generations.
- There are sufficient numbers of looms as well to meet the increases in demand whenever required.
- The area has always been famous for its handloom sarees particularly silk sarees of the Banarasi style.
- Availability of raw material as such is no problem as it is mostly available within the Mubarakpur market itself.

(ii) Weaknesses

- The prices of silk yarn have been fluctuating unpredictably leading to changes in the cost of production from time to time. Once a lower price has prevailed it becomes difficult to sell at higher rates even when the raw material has registered an increase in the market.
- The levels of demand have been declining as a result of changes in the preference in favour of the salwar suit and other western outfits as compared to the silk saree.
- Demand of handloom sarees both silk and synthetic has also declined because of the stiff competition from the powerloom sector.
- The lack of support from the banks to make credit available to weavers or the co-operative societies.
- The absence of proper dyeing facilities in the area. Most of the dyeing work is done by individuals within their unit using traditional methods, which do not always assure even dyeing over the entire length of the yarn. Problem becomes more acute when large quantities of yarn have to be dyed in the same shade. This manual process adopted at times leads to slight variations in the shade.
- Because of the prevailing market conditions and the recent slump in demand the weavers are increasingly becoming dependent mainly on the main office bearers of the co-operative societies because they are managing to procure orders on the basis of their contacts and influence. Consequently, once order is procured they supply the raw materials even to weavers who are not members of the co-operative society and purchase the sarees from them on a piece rate basis. Similarly there are some big traders and commission agents who are also owning looms and getting work done directly form those weavers who are not associated with any co-operative society on a basis similar as the ones followed by the co-operative society.

These factors are also responsible for the poor living conditions of the weavers in general.

- Although the Central Government is implementing various schemes for the welfare of the weavers there is no scheme as such to cater to their requirements directly in relation to their occupation. Consequently there are no schemes, which could strengthen their access to adequate raw materials at reasonable rates, assure marketing of their produce, make latest designs available to them and to provide training to them on a regular basis.
- The weavers are far too traditional in their approach and most of them, therefore, do not want to diversify to production of products other than sarees.

CHAPTER III

HANDLOOM CLUSTER BIJNORE DISTRICT

I. Introduction

The second district covered by us for the study was Bijnore, which falls in the Western Region of the state. The Regional Handloom Directorate, which controls Bijnore, is located in Moradabad, which is an adjoining district. The other districts, which are controlled by the Regional Directorate, are Moradabad itself, Rampur and J.P. Nagar. Bijnore is an important district from the point of view of handloom activity. However, out of total staff strength of 38 in the Regional Directorate, Bijnore has been given only two officials to supervise the activities all over the district. The skeleton staff is finding it extremely difficult to perform its duties as effectively as desirable.

Bijnore has an old history of its weaving sector. The sector is over 200 years old. In fact in course of our field visit we have met people who have themselves been engaged in the activity over the last five generations at least. Weaving activity in the district originated in Nehtaur township. River Ganges flowing close through Nehtaur was the main attraction for the Nat tribes who used to stay around the area for a few months every year before shifting their location. In due course of time they settled down around Nehtaur on a permanent basis. They were the first to start weaving activity using fibres from plants, which were locally available in the area. By the days of the British Raj they had converted to manufacturing of silk and cotton fabrics. With the popularity of synthetic fibres, they also changed their production pattern in tune with changing demands. Although Nehtaur was the nodal point from where the handloom sector of Bijnore can trace its roots, weaving activity gradually spread to other parts of the district as well.

The weavers in the past traveled to Kanpur, Gujarat, Punjab and Haryana, etc. to learn the skills in weaving and once they had attained the desired level of skill came back to start their own weaving operations. The weavers are mainly full-time weavers and only very few have a secondary occupation. The main areas of concentration of handloom work are Seohara, Nehtaur, Noorpur, Rawana Shikarpur, Dhampur, Najbabad and Chandpur.

At present the main weaving activity is centred around cotton handlooms. Some synthetic fibres are also produced. The main products are bed sheets, bed covers, 'khes' (sheet for covering), shawls, scarfs, chunnis and home furnishings such as curtains, towels, Napkins, handkerchiefs. One product, which stands out as the speciality of this area is gauze bandage, which is produced in very large quantities and is then sold through various outlets in hospitals across the length and breadth of the country.

According to the last Handloom Census conducted during 1995-96, the total number of looms in Bijnore was 11,306 and the number of weavers was 88,326. Although no details of actual number of looms or weavers are available for the year 2006, it is widely believed by the officials and others involved in the trade as Master Weavers, traders or commission agents that even today the district is having over 15 thousand looms and over 90 thousand weavers. Although the Ansari community constitutes the majority of weavers, a large number of Hindus, mainly belonging to the Scheduled Caste have also been associated with the activity since long. Their share to total weavers in the district will be approximately 20-25 per cent.

The significance of the handloom sector can be viewed in light of the fact that during 2004-05 the production of handloom cloth in Bijnore was estimated at 235 lakh metres.

The co-operative handloom societies play a very significant role as far as the sector is concerned. Earlier, in order to form a society for registration with the handloom directorate a minimum of 50 weavers, each possessing at least one loom was a precondition. However, this ceiling has been brought down to 21 in recent times. The societies are registered by the Registrar Handloom Societies, who is also its Director. The Executive Committee comprises of 7 officials headed by the President and a Vice-President. It also has a Secretary who is a paid member but not a regular member of the Co-operative. The Committee is an elected body and the members themselves select the office bearers. The Board and President of the Co-operative Society take all the decisions on behalf of the Co-operative. They arrange for the orders, yarn, working capital and the incentives available under the various promotional programmes being run by the government. The profits, which the co-operative earns through sale of the products, are shared among the members of the society. Therefore, if a co-operative is being run efficiently it results in regular work and income for its members. However, it is unfortunate that a large number of these co-operative societies are defunct. For example, during 2005-06 there were a total of 203 societies but only 92 out of them were working societies. This works out to only 45 per cent of the total registered societies.

The study of the district on which our analysis is based constituted of interviewing the owners of handloom units. For this a questionnaire was designed in order to obtain information from them regarding various aspects such as their background, investment, availability of raw material, marketing, government assistance and problems, which they have been facing. Besides this, we also interviewed the wage earning weavers and for them also we had a separate questionnaire to find out their background, wage pattern and changes in them, their relationship with their employer and working conditions, etc.

The information collected through questionnaires was supplemented with the help of holding discussions with some key informants such as officials of the handloom directorate, office

bearers of the co-operative societies, commission agents and traders, master weavers and the owner of large units. All these individuals have a deep knowledge of the handloom sector and are, therefore, well versed with the problems associated with this sector.

The officials are under tremendous pressure from the co-operative societies and weavers both. The Directorate has to monitor the functioning of the societies by verifying all their records and accounts. There are times when the society members blame that they are not being given their due. Settling disputes and dealing with a population with rather low literacy levels is a Herculean task. In a handloom center as prominent as Bijnore it is a pity that the local office has been assigned a staff of only two officials despite the fact that the regional office has a total strength of 38 staff members. Consequently it is extremely difficult for these two individuals for them to supervise the functioning of the registered co-operative societies all over the district and also to ensure that the various schemes of the government are running smoothly and that weavers are receiving benefits under them as visualized.

II. Analysis of Handloom Units

Areas of Concentration of Handloom Weavers

(i) Azampur
(ii) Budhanpur
(iii) Chandpur
(iv) Dhampur
(v) Kanth
(vi) Nazimabad
(vii) Nehtaur
(viii) Noorpur
(ix) Rawana
(x) Sahaspur
(xi) Seohara
(xii) Shikarpur
(xiii) Tajpur

The areas selected were Sahaspur, Rawana, Noorpur and Dhampur in order to give proper coverage to the handloom clusters in the district in assistance with officials of the Regional Handloom Directorate, Moradabad.

In order to conduct our survey an effort was made to select the most important areas so that a proper picture could be presented of the district. For this we took help of the Assistant Commissioner, Moradabad Regional Office Shri Sunil Kumar Yadav and some of his colleagues who are very familiar with the sector. Since the weaving activity is found in rural, semi-urban as well as urban areas we decided to select some sample representing each of these three areas. The areas selected by us with the help of officials from the directorate are from Seohara, Rawana Shikanpur, Noorpur and Dhampur. The break-up of our sample is as follows:

Area	No. of Units	No. of Wage Earning Weavers
1. Rural (Sahaspur, Rawana & Noorpur)	22	31
2. Semi-Urban (Sahaspur & Noorpur)	8	11
3. Urban (Dhampur)	—	4
Total	30	46

General Characteristics

The general information about these units is given in Table 3.1. In our entire sample only one unit each from rural and semi-urban areas was headed by a female. Similarly only three units in our entire sample were owned by people from the general caste, while the rest of the owners were Muslim. In the rural areas the owners were concentrated more in the 25-40 year age group whereas in the semi-urban areas a relatively larger proportion was found in the age group 40-55 years.

Table 3.1: **General Information about Unit Owners**

Details	Rural	Semi-Urban	Total
1. **Number of Respondent**			
Male	21	7	28 (93.33%)
Female	1	1	2 (6.67%)
Total	22	8	30 (100.0%)
2. **Caste of Respondent**			
General	3	--	3 (10.00%)
Muslim	19	8	27 (90.00%)
Total	22	8	30 (100.0%)
3. **Age Break-up of Respondent**	1	--	1 (3.33%)
Below 25 years	11	2	13 (43.33%)
25 – 40 years	9	6	15 (50.00%)
40 – 55 years	1	--	1 (3.33%)
55 & Above	22	8	30 (100.0%)
Total			
4. **Educational Qualification of Respondent**			
Illiterate	2	--	2 (6.67%)
Literate	3	--	3 (10.00%)
Primary	9	4	13 (43.33%)
High School	5	4	9 (30.00%)
Intermediate	2	--	2 (6.67%)
Graduate	1	--	1 (3.33%)
5. **Type of Training Received**			
Informal	22	8	30
Formal	--	--	--

Looking at the literacy levels among the unit owners only two in our total sample of 30 were illiterates and only another 3 were literates without any schooling. All the others had some schooling at least upto the primary level. In fact 40 per cent of our respondents had studied upto High School level or even higher. Among the semi-urban unit owners there were no illiterates. They were equally divided as those with upto primary or upto High School level education. In the rural area we not only found illiterates but even a graduate (Table 3.1).

Since the activity is traditional and people have been engaged in it for a few generations, our sample comprised of only those who have learnt the art of weaving in an informal way from their parents or other family members (Table 3.1).

Demographic Structure

The demographic structure of the households of unit owners is given in detail in Table 3.2. It is quite evident that the households comprise of almost an equal numbers of males and females. In fact, the females actually outnumber their male counterparts. This is the pattern, which emerged in rural as well as semi-urban areas. However, what was surprising was that the average size of the household was relatively higher in semi-urban areas (10.50) as compared to the rural areas (7.82). The overall average household size for both category of units taken together worked out to 8.53. It is further observed that more than half of the household members are engaged in weaving activity. Since it is a traditional work, even children pick up the work at an early stage. They are actually groomed into it by making them participate in the preparatory work, which is essential before actual weaving on the loom can be taken up. Family members were found in all age groups starting from below 15 years to those above 60 years although their numbers were relatively less in the two higher age groups both in rural and semi-urban areas. In the case of workers it was observed that even those above 60 years old and living in rural areas were engaged in weaving, the aged from semi-urban areas were leading a retired life (Table 3.2).

Table 3.2: **Demographic Structure of Unit**

Age Group		Family Size						
		Sex				Working (Weaving)		
		Male	Female	Total	Average size of Households	Male	Female	Total
Rural	Upto 15 years	35	43	78	7.82	5	5	10
	15 – 35 years	26	22	48		22	22	44
	35 – 59 years	15	15	30		15	14	29
	Above 60 years	5	11	16		3	10	13
	Total	81	91	172		45	51	96
Semi-Urban	Upto 15 years	18	25	43	10.50	5	5	10
	15 – 35 years	14	11	25		14	11	25
	35 – 59 years	7	7	14		7	7	14
	Above 60 years	1	1	2		--	--	--
	Total	40	44	84		26	23	49
Total	Upto 15 years	53	68	121	8.53	10	10	20
	15 – 35 years	40	33	73		36	33	69
	35 – 59 years	22	22	44		22	21	43
	Above 60 years	6	12	18		3	10	13
	Total	121	135	256		71	74	145

Income Levels

Table 3.3 gives details of household income of the surveyed units. Maximum households whether from rural or semi-urban areas were found concentrated in the income group of between

Rs.20,000-40,000 per annum. Two-thirds of the total units were found in this income bracket. Their overall average annual income worked out to Rs.35,367. However, when we take the two areas separately then the semi-urban units had a relatively higher income as compared to those located in rural areas. This is mainly because of their locational advantage they are able to get more work orders and also that many are doing work involving more intricate weaving resulting in higher returns. For details related to income of the units, please refer to Table 3.3.

Table 3.3: **Total Households Income of the Unit Owners (Per Annum)**

Income Category	Rural	Semi-Urban	Total
1. Weaving			
Below 20000	3	1	4
20000 - 40000	15	5	20
40000 - 60000	3	1	4
Above 60000	1	1	2
Total	22	8	30
2. Average Income (Weaving)	32591	43000	35367
3. Other Sources			
Below 20000	4	--	4
20000 - 40000	1	--	1
Total Average Income (All combined)	35000	43000	37133

While a few respondents from rural areas have reported income from other sources besides weaving, the semi-urban units are fully dependent on weaving as the source of income. However, even in the rural areas the contribution is not large enough to make a big impact on household income. Consequently the household income went up from Rs.32,591/- from weaving to Rs.35,000/- to all sources in the case of units located in rural areas (Table 3.3).

Number of Looms and Products

The units as well as weavers enjoy some advantages if they are registered with the co-operative societies. First of all only those who are registered under any co-operative can avail the various benefits available under different government schemes. Only the medical reimbursement scheme, which is being operated in collaboration with ICICI Lombard is open to all weavers irrespective of whether they are members of any co-operative or not. However, despite disadvantages a larger number of weavers are not members of any co-operative. In Table 3.4 we have presented facts related to the details of these handloom units. It brings out clearly that only around 53 per cent of the unit owners are registered as a co-operative society with the Handloom Directorate. Of the non-registered units the maximum are in the rural areas. The reasons cited by them for not becoming a member are either their ignorance about the co-operative societies and their advantages or that they feel that not much benefit is received even if they form a co-operative. This indifference is on account of two main reasons. In the first place is the lack of faith on the part of the individuals on the office bearers. The general impression is that the President of the co-operative society is all powerful and has his say in all matters

and so the ordinary member gets marginalized. Moreover, most of the benefits are by nature of welfare scheme and weavers are of the opinion that schemes should be such that it directly affects the weaving activity. Even the schemes such as Deen Dayal scheme, they feel is not being implemented as effectively as it should. Although the handloom directorate is supposed to organize fairs for the benefits of the weavers the number of fairs has been declining over the years. The subsidy, which was being offered on the sale of products during these fairs and exhibitions, has been discontinued. The EXPOS and exhibitions held in foreign countries to promote handloom products are benefiting the larger units whereas the smaller ones do not stand to gain much from them (Table 3.4).

Table 3.4: **Details about the Unit**

Details	Rural	Semi-Urban	Total
1. **Is your unit registered with any Co-operative Society?**			
Yes	10	6	16 (53.33%)
No	12	2	14 (46.67%)
2. **If No, Why?**			
No Benefit	6	2	8
No knowledge	6	--	6
3. **Since when have you been working?**			
Before 1975	4	4	8
1976-1985	9	4	13
1986-1995	5	--	5
After 1996	4	--	4
4. **Nature of Unit** – Hereditary	22	8	30
5. **No. of Generations?**			
One	3	--	3
Two	3	1	4
Three	10	5	15
Four or more	6	2	8
6. **Total Looms**	111	54	165
7. **Working Looms**	96	42	138
7. **Main Products (Multiple Response)**			
Bed sheets	16	6	22
Gauze Bandage	7	4	11
Curtains	2	4	6
Quilt Covers	6	--	6
Shawls	5	1	6
Durries	4	1	5
Khes and Towels	3	2	5
Dupatta and Dress Material	6	--	6

All the units are hereditary. However, the respondents themselves have been working on the units for varying periods of time as a result of the differences in their age. In the 22 units selected in the rural areas there were as many as 111 looms. But the share of working looms is around 86 per cent. Similarly in the eight looms located in semi-urban areas there are a total of 54 looms but only around 78 per cent are working. Thus, if we take all the units together the average number of looms per unit works out to 5.5 but that of working looms drops down to around 4.6. The two most important items

being manufactured are bed sheets (covering almost three-fourths of the units) and is followed by gauze bandage (around 37 per cent units involved). The other products being manufactured are quilt cover, shawls, curtains, durries, etc. (Table 3.4).

Workers Employed

The units are providing employment not only to the weavers within the family who are working as unpaid workers but also to other on either daily wages or on a piece rate basis. Over the years there has been a decline in the demand of the products. The evidence of this was seen while Table 3.4 was being analyzed. It was found that although the 30 units between them had 165 looms but only 138 were working looms. The aspect of slump in the demand levels is also reflected if we look at the employment generation in these units at present as compared to 5 years ago. This aspect has been depicted in Table 3.5. Table 3.5 reveals that the total numbers were relatively less in the two higher age groups both in rural and semi-urban areas. In the case of workers it was observed that even those above 60 years old and living in rural areas were engaged in weaving, the aged from semi-urban areas were leading a retired life (Table 3.2).

Hired skilled workers in all units taken together used to be 105 five years ago. However, at the time of our survey this number had come down to 88. Similar decline was also found in the situation related to hired semi-skilled workers whose number had declined from 9 to 2. If we look at average number of hired workers per unit (taking all categories of workers) over the entire sample of our selected units, it was almost 4 workers per unit five years ago, whereas, at present it has come down to 3 hired workers per unit (Table 3.5).

Table 3.5: **Details of Labourers Employed**

Areas	Workers	Sex	Type of Workers							
			Skilled		Semi-Skilled		Unskilled		Total	
			At Present	5 Years Earlier	At Present	5 Years Earlier	At Present	5 Years Earlier	At Present	5 Years Earlier
Rural	Unpaid Workers Family Workers	Male	36	39	4	3	--	2	40	44
		Female	41	40	2	6	3	7	46	53
		Child	2	6	3	9	5	12	10	27
	Hired Workers	Male	52	49	2	5	--	--	54	54
		Female	17	23	--	2	--	--	17	25
		Child	--	2	--	--	--	3	--	5
Semi-Urban	Unpaid Workers Family Workers	Male	20	22	1	3	--	2	21	27
		Female	18	19	--	2	--	3	18	24
		Child	5	4	3	4	2	2	10	10
	Hired Workers	Male	17	29	--	1	--	--	17	30
		Female	2	4	--	1	--	--	2	5
		Child	--	--	--	--	--	--	--	--
Total	Unpaid Workers Family Workers	Male	56	61	5	6	--	4	61	71
		Female	59	59	2	8	3	10	64	77
		Child	7	10	6	13	7	14	20	37
	Hired Workers	Male	69	78	2	6	--	--	71	84
		Female	19	27	--	3	--	--	19	30
		Child	--	2	--	--	--	3	--	5

Investment Levels

While looking at the investment levels in these units we were confronted with the problem that these units have been passed down from one generation to the other. So no one has actually invested on the loom. Similarly the land on which they have fixed the loom, whether it be a part of the house itself or within its premises, has again been in their possession for generations. There was no way to find out the cost of the loom when it was set up. So the method adopted by us is to calculate average fixed investment on the basis of the current prices of a loom. At present a loom without a jacquard costs around Rs.12 thousand while one fitted with a jacquard needs an investment of around Rs.18 thousand. We have used these prices to arrive at our estimates of average fixed capital investment per unit. It was found that per unit investment on looms worked out to around Rs.50000 in the case of rural units and around Rs.39000 in the case of semi-urban units. Accordingly, the overall average fixed investment was Rs.43.5 thousand per unit (Table 3.6).

Table 3.6: **Details about Investment in the Units**

Details	Rural	Semi-Urban	Total
1. Fixed Capital Invested on Looms (Rs.) (Average Per Unit at Present Prices)	56000	39000	43533
2. Have you invested during the last 5 years?			
Yes	17	6	23
No	5	2	7
If Yes, source of funds (Multiple response)			
Own Savings	14	5	19
Friends/Relatives	3	1	4
Trader/Intermediary	4	2	6
Bank	1	--	1
Average investment per unit per annum (Rs.)	1212	1296	1239

However, since the looms are old they do need repair from time to time and the average expenditure involved in their repair and maintenance works out to around Rs.12000 per month for all the units taken together. Nearly two-thirds of the respondents meet this expenditure from their own savings while others borrow either from the trader or intermediary or from their friends and relatives (Table 3.6).

Raw material

The main raw material used by the units is cotton yarn. Cotton yarn of different counts is to be purchased depending on the items to be manufactured. Grey cotton yarn is available in bundles weighing 4.5 kg each or cones weighing 1 kg. The finer the yarn the more expensive it becomes. The existing rates of yarn of different counts is as follows:

No.10	Rs.170 – 270 per bundle
No.20	Rs.275 – 375 per bundle
No.24	Rs.300 – 415 per bundle
No.30	Rs.96 – 100 per cone of 1 kg weight
No.36	Rs.100 –120 per cone of 1 kg weight

All the units are using gray cotton yarn and manufacturing different cotton products but less than half the units are using synthetic yarn. This is being used for the manufacture of pure synthetic curtain. Some units of Sahaspur have been procuring orders for the manufacture of string curtain made of synthetic fibre. They are a very popular item for export and are being sent to various European countries. Otherwise synthetic yarn is being used by many units in the manufacture of intricately woven bed covers, which again find their way to the markets in the Metropolitan cities or abroad. These products can not be found in the local market anywhere.

Table 3.7: **Details about Raw Material**

Details	Rural	Semi-Urban	Total
I. Raw Material Used			
Cotton Yarn	22	8	30
Synthetic Yarn	8	4	12
Woolen yarn	2	--	2
II. Source of Raw material			
Local Market	22	8	30
Within district	2	--	2
Trader	7	4	11
Co-operative Society	4	3	7
III. Type of Problem			
Cost is rather high	12	5	17
Supply is inadequate	6	2	8
Problem related to quality	6	1	7
Problem related to timely supply	7	2	9

Since there is a regular demand for the raw materials there is a developed yarn market at the local level itself and some important markets are Nehtaur, Dhampur, Noorpur, Sahaspur, etc. So our entire sample of unit owners have been purchasing regularly for the local markets. At times purchases are also being made from traders who have managed to get large orders or from the Presidents of Co-operative societies who purchase raw material in bulk once the society gets a work order (Table 3.7).

The type of problems faced by units regarding raw material availability are its rising prices, problems of availability at times and that of getting good quality yarn. Sometimes when a large order has to be supplied enough yarn is not available on a timely basis (Table 3.7).

Marketing

Marketing is a very crucial aspect which determines the income levels of the individuals as well a growth of the sector. Till some years earlier, it was a common practice that the weavers used to sell the handloom products manufactured by them in the local market. Local markets are generally held on a weekly basis and at places even on a daily basis. One such market is in Chandpur. This is a market held daily and it is not only a market where the weavers come to sell their products but also can purchase gray cotton yarn and other materials required by them for manufacturing handloom products. The market opens early in the morning and by noon the bulk of purchases is over. The buyers not only include traders but also individual purchasers. During the last few years the off-take of products from the market has shown a declining tendency as a result of fluctuations in the demand. Added to it is the

fact that cost of yarn has been going up which has adversely affected the demand as cost of material has gone up. On the day of our visit there were very few purchases. Even those who had arrive for either bulk purchase or as individual buyers for their personal use, a lot of haggling could be witnessed to settle prices. The weavers informed that there are times when they are forced to sell their products at either minimum or even no profit because if they do not do so, their working capital gets blocked and they are unable to sustain their households. What was observed was that the products on display were not of very good quality. Even the weavers admitted that at the local level there is a relatively higher demand for these cheaper products whether they be home furnishing or dress materials, etc.

While local demand may have shown a declining trend this is not necessarily the case with demand outside. Bijnore is still a very important centre for production of gauze bandage and home furnishing such as bed covers and bed sheets, curtains, towels, etc. and a regular demand for these products is present. However, the access to this market is the sole prerogative of the co-operative societies who are headed by influential people or by the traders and commission agents. In Sahaspur for instance we met a big unit owner who is also President of a co-operative society, who has been getting large orders for the manufacture of string curtains since the past 4-5 years. These string curtains are being produced using synthetic yarn. The yarn is woven together to form circular strings around 3 mm in diameter. Using the same strings a cloth is woven and this is used as the junction to which the strings are sewed at intervals of about 3-5 mm. The size of the curtain (both length and width) is determined by the order, which is being executed. The curtains are generally of one colour either white or any other bright shade. But at times even strings of different shades are being used to give a multi-coloured effect. The entire consignment is finding its way to the European market.

Table 3.8: **Marketing Arrangements of Handloom Products**

Marketing Arrangement	Rural	Semi-Urban	Total
I. Marketing Arrangement			
1. Sold in local market	5	4	9
2. Sold in other places	2	2	4
3. Output taken by intermediary	12	4	16
4. Output taken by co-operative societies	6	1	7
5. Trader	7	4	11
6. Retailer	3	1	4
II. In Case Working for an Intermediary/Cooperative Society, How does Arrangement?			
1. Raw Material are provided	6	2	8
2. Credit is provided	4	1	5
3. Raw material and credit both are provided	6	2	8
4. Only order are placed	7	3	10
III. Problem Faced while working Intermediary/ Co-operative Society			
1. Low piece rate	4	2	6
2. Low wages	1	--	1
3. Irregularity in getting work	8	2	10
4. Timely not getting raw material	3	1	4
5. Late payment	6	2	8

Thus, we find that since the better quality products are being produced in accordance with the demand coming from big traders in the larger cities or for the international market, these orders are being supplied by those who organize the weavers of the area provide the raw materials to them, the design and the size specification whether they be curtains, bed sheets or any other items. Thus, the ordinary weaver is relieved of the responsibility of arranging the raw materials. However, the disadvantage is that he is then under a contract to sell the product to the individual who supplied the raw material. There are also times when the order is for plain material only and so the weavers might get cash in advance for purchase of raw materials. So whether only raw material, only credit or both raw material and credit is provided by the President of a co-operative society or trader/commission agent the finished product is to be handed over by the weaver to him and for this the weaver gets paid either on a piece rate basis or on daily wage basis. The disadvantage faced by them is that wages are low and the amount of work they do is directly related to orders received by those to whom they sell their produce. Even at times wages are not paid regularly because the large unit owner or commission agent himself does not get his payment on time. The details related to these aspects for rural and semi-urban areas are presented in a tabular form in Table 3.8.

Output Trends

An effort was made to try and find out the changes, which have taken in the growth of output over the last five years in the handloom sector in Bijnore. The analysis is based on data, which is presented in Table 3.9. It is observed that there have been mixed responses. Some respondents have reported increase in demand while other say that either demand has declined or that there has not been a change. However, declining demand is reported by over half the rural units while in the semi-urban areas only around one-fourth of our units have experienced a reduction in the demand for their products. The main factor affecting rural demand are changes in demand for their products in the local market followed by the fact that the orders being placed by the intermediaries have also declined.

All the unit owners reported that over the past five years the cost of production has gone up. Majority of them report an increase of over 20 per cent (around 63 per cent of the total sample) while another one-fourth feel that costs have gone up between 10-20 per cent over the same period (Table 3.9).

Table 3.9: **Comparative Picture of the Unit Since the last Five Years**

Comparative Details	Rural	Semi-Urban	Total
1. **Changes in Output?**			
Output increased	5	4	9 (30.00%)
No change	5	2	7 (23.33%)
Output Decreased	12	2	14 (46.67%)
2. **Factors contributed to decrease in output:**			
Change in local demand	7	2	9
Change in demand in other parts of state/country	3	1	4
Change in order placed by the intermediary	4	1	5
3. **Has cost of production increased last five years**?			
Yes	22	8	30
4. **If Yes, how much?**			
Cost up by over 20%	13	6	19 (63.33%)
Cost up by 10-20%	5	2	7 (23.33%)
Cost up below 10%	4	--	4 (13.33%)

Technological Change

Looking at changes in technology and design, the change in technology did take place but that was over 15-20 years ago. Till then the looms of Bijnore were all pit looms. The change is that they have now been converted to frame loom. The frame looms have been adopted by almost all the weavers and only some negligible number of pit-looms can still be seen functioning. But the frame loom has some demands. Since they are fitted at the floor level the room where they are fitted has to have a ceiling of at least 10 feet to accommodate the loom properly. This height specification goes up by another 3-5 feet if the loom is also fitted with a jacquard as well. This calls for additional expenditure and not all weavers have been able to afford it. A large number of them do not work on a jacquard. In many places the looms have been fitted in places, which do not have a pucca ceiling. The ceiling is temporary thatched roof given additional protection by weaving polythene sheets. The major disadvantage is that because of a non-pucca roof above the loom water tends to trickle down in case of heavy rains and results is a major loss if the rain water falls on the cloth being manufactured on the loom. The water drops stain the cloth and either the order for that piece itself is cancelled or a much lower price is paid for it because of the stains. In case the order is cancelled then the weaver tries to sell the product through his own efforts and selling in the local market also fetches a low price. Cancellation of order means that the intermediary deducts the cost of the raw material, which had been given for the manufacture of that particular item. Since our survey work was undertaken during the monsoon period we met some of the weavers, who experience this problem and are sufferers of their poor economic conditions. In Table 3.10 we deal with changes in design and not technology as such since change in technology seen by way of transfer from pit loom to frame loom was done quite some time back.

Table 3.10: **Details Regarding Changes in Technology/Design over the Past**

Details	Rural	Semi-Urban	Total
1. Has any change in Design of Products?			
Yes	9	4	13 (43.33%)
No	13	4	17 (56.67%)
2. If Yes, Nature of Change:			
Raw Material used	2	1	3
In the Design of Finished Products	7	3	10
3. Cost Involved in Adopting Change?			
Cost increased by 10%	6	1	7
Cost increased between 10-20%	2	1	3
Cost Increased over 20%	1	2	3
4. Has change adopted by you?			
Cost of Production Increased	1	2	3
Not much change	2	1	3
5. Have changes in design led to increase in your income?			
Yes	3	4	7
No	6	--	6

Table 3.10 indicates that while changes have taken place in the designs over the last few years, only around 43 per cent have adopted the new designs. This is mainly because adopting new designs

involves use of jacquards. Some can not afford this extra cost or even if they can manage the extra expenses they are not in a position to increase the ceiling of their work shed to accommodate the jacquard, which is fixed just above the loom. The changes in design also mean access to them and all weavers do not enjoy this facility either. Even the raw materials differ if designs change. For instance the string curtain does not need raw material yarn at all but synthetic yarn is required. Synthetic yarn is also being used in the manufacture of fancy bed covers, shawls, scats, etc. Thus, the adoption of a new design automatically involves a higher cost. Among those who have adopted new designs over half feel that cost of production has gone up by around 10 per cent. The rest feel that costs have increased by 10-20 per cent or even more than 20 per cent. As far as the units from semi-urban areas is concerned they have all experienced an increase in their incomes but in the rural areas only one-third of the units have enjoyed this advantage (Table 3.10).

Indebtedness

The incidence of debt among the respondents is rather low among the units located in semi-urban areas (only one out of eight). However, in the rural areas slightly over one-third the owners of units were found to be in debt (for details see Tale 3.11). Thus, taking the entire sample the average number of units, which are indebted, is 30 per cent. The semi-urban units owner took loan from a relative for performing a social ceremony and the amount taken was Rs.20,000. Among the rural units on the other hand the maximum number of loans have been financed through the intermediary or trader while some have obtained loan from a friend/relative, co-operative society or moneylender. The average amount of loan per indebted individual is Rs.22,750/- and the purpose for which loans were taken included social ceremonies, house construction, purchase of raw materials and for food consumption. The overall average amount of loan taken by the indebted units worked out to around Rs.24,440/- (Table 3.11).

Table 3.11: **Extent of Indebtedness**

Details	Rural	Semi-Urban	Total
1. Are you in debt?			
Yes	8	1	9 (30.00%)
No	14	7	21 (70.00%)
2. If Yes, to whom?			
Friends/Relatives	1	1	2
Intermediary/Trader	5	--	5
Co-operative Society	1	--	1
Moneylender	1	--	1
3. Average Loan per Indebted Unit (Rs.)	22750	20000	22440
4. Reasons for taking loan?			
Social ceremony	3	1	4
House Construction	1	--	1
Foods	2	--	2
Raw material	2	--	2

Government Schemes

Presently the government has a few schemes, which are being run to provide assistance to the weavers. Details about schemes which are being availed by units in Bijnore and the type of assistance received by them is described in Table 3.14 and is being discussed with the help of the table. It is unfortunate that only 60 per cent of our total respondents are aware about them. The awareness levels are almost similar in both rural and semi-urban areas. Moreover, not even all those who are aware are availing these schemes. The health insurance scheme which the Central Government is running in collaboration with ICICI Lombard has become popular since this year because from this year the entire premium of Rs.1000 per annum per weaver will be borne by the government and medical reimbursement to the tune of Rs.15,000/- per weaver family will be done annually on the production of receipts from hospitals or registered medical practitioners. The coverage per family is extended to the weaver his/her spouse and two children. Till last year each weaver was to contribute Rs.200/- towards the premium and so not all of them availed of this facility. The other schemes in which they have been beneficiaries are Deen Dayal Protsahan scheme and training programmes. Among those who knew of them but could not avail them was since they are not members of any co-operative. However, even here they lacked full information because the health insurance scheme is open to all the weavers irrespective of whether they hold membership of a co-operative society or not (Table 3.12).

Table 3.12: **Utilization of Government Assistance**

Details	Rural	Semi-Urban	Total
1. Awareness of Government Scheme?			
Yes	13	5	18 (60.00%)
No	9	3	12 (40.00%)
2. If Yes, which schemes? (Multiple Response)			
Pandit Deen Dayal Protsahan Scheme	4	1	5
Health Insurance Scheme	9	4	13
Training Programme	5	2	7
3. Have you availed these schemes?			
Yes	9	4	13
No	4	1	5
4. If Yes, what have you benefited?			
Awas (Tin Shed)	5	1	6
Health Insurance	9	4	13
5. In case not availed any scheme, why not?			
Not a member of society	4	1	5

Problems Faced and Suggestions

As per the opinion of the unit owners there are various problems, which the handloom sector is faced with. These include the availability and rising prices of raw materials, problems in

marketing of products particularly as far as the smaller units are concerned, availability of easy credit from the banks, competition which they face from the power loom sector, the problem of power supply, lack of government support in marketing as well as making raw material available at reasonable rates. They also want better training facilities where they can be given proper training about changes in technology and design, dyeing and in giving them better knowledge about the market where their products may be able to fetch better prices and where they can have access without the help of the intermediary or commission agent. However, the most important aspects according to them are those related to raw materials and marketing.

The suggestions, which they have given, relate directly to the problems, which have been highlighted above. So the first suggestion expressed by a majority of the units is that the government must ensure access to raw materials at reasonable rates and to take steps to assure a market for their products. Till only some time ago the PICUP and UP Handloom corporations were supplying raw materials and then purchasing the finished products. These two corporations had their showrooms all over the country and so the handloom products were being sold regularly in different states on a regular basis. During festive occasions handloom fairs and exhibitions were regularly organized and the government generally gave a 20 per cent subsidy. This also ensured regular sale of unsold handloom products. All these factors contributed to the growth of the sector and in providing regular work to weavers thereby regular income was being generated and the weavers were able to sustain themselves at a given level. The market for the handloom products was also protected as a result of the order passed by the Ministry of Textiles, which stated that some products could be produced only by the handloom sector. To begin with the number of products was large. However, even according to the latest order passed in 1996 there are still 11 products exclusively reserved for the handloom sector. Unfortunately the power looms are manufacturing them as well and they are not being controlled. Consequently the handlooms are facing still competition from power looms. Thus, the government must address both these issues and find ways and means to assure regular supply of raw materials as well as a market for handloom products.

Since working on the loom can be done efficiently under proper lighting conditions, regular supply of power of good quality becomes an important aspect. Unfortunately the state is facing an acute power problem and so availability of power is adversely affected. Moreover, even when power is available the voltage fluctuations only compound problems. The government has been promising uninterrupted supply of power but so far has failed to fulfill the promise. Thus, it is essential that this aspect be looked into as it is in the interest of not only the handloom sector but the entire economy of the state.

In the whole of Bijnore district there is only one unit in Nehtaur, which has set up a dyeing plant, which has the capacity to dye any quantity of yarn and yet ensure that the entire length of the yarn will be of the same shade. Proper dyeing using fast colour becomes a pre-requisite particularly when big orders are received otherwise the order itself may be cancelled. The units, therefore, have only the Nehtaur unit for meeting their dyeing needs. But not all can afford the same. Consequently a majority are dyeing or bleaching the yarn in their own premises using the traditional methods, which are not good enough. The government can step in and extend financial help for setting up modern dyeing plants to the larger handloom units and fix some rates at which other weavers of the area can get yarn dyed from these plants. In this way the monopoly of the Nehtaur unit will be broken.

There are various areas in which the government is offering access to easy credit through banks and other financial institutions at low rates of interest. However, the handloom sector does not enjoy such an advantage. This, therefore, is yet another aspect which the government can look into.

All these steps are important to promote the handloom sector in the district particularly in view of the fact that Bijnore over the years has developed into an important handloom producing sector and the products, which are being produced have a market within the state, in other states as well as in the overseas market.

The Regional Handloom Directorate at Moradabad, which controls Bijnore has a staff strength of 38. However, Bijnore has been given a staff of only two officials despite the fact that it is the most important district out of the four under Moradabad office. The Directorate must, therefore, immediately reorganize the staff distribution and post a minimum of at least 8 officials to supervise the activities of the handloom co-operatives in the district.

III. The Wage Earners

General Characteristics

We now focus our attention on weavers who do not own looms and so are working as wage earners. Taking the rural, semi-urban and urban areas of the district we covered a total of 46 such wage earning weavers. The general characteristics of our weavers are presented in Table 3.13. As could be expected over four-fifth of the weavers of our sample were males. Over 50 per cent of them were concentrated in the age group of between 25-40 years, while a little less than one-third in the 40-45 year age group. Their overall average age worked out to be around 33 years. There were variations in the average age between the three locations and weavers from the rural areas had the lowest average age while those working in urban areas were relatively older. Looking at the caste structure of the weavers over two-thirds of our sample constituted of Muslim weavers while the rest were Hindus. Among Hindus majority belonged to the OBC category constituting over 20 per cent of the total sample workers.

From the point of view of educational qualifications it was encouraging to observe that less than 9 per cent of the sample was illiterate and they were mainly from the rural areas. The literates with schooling were mainly those who had studied upto the primary level (around 43 per cent) or those who were high school (approximately 30 per cent).

Table 3.13: **General Characteristics of the Weavers**

Details	Rural	Semi-Urban	Urban	Total
1. Number of Respondents				
Male	23	11	4	38 (82.61%)
Female	8	--	--	8 (17.39%)
Total	31	11	4	46 (100.0%)
2. Age-wise break-up of respondent (Years)	7	1	--	8 (17.39%)
Below 25	16	6	2	24 (52.18%)
25 – 40	8	4	2	14 (30.43%)
40 – 55	31	11	4	46 (100.0%)
Total				
3. Caste of Respondent:				
General	2	--	--	2(4.35%)
SC	2	--	--	2(4.35%)
OBC	10	--	--	10(21.74%)
Muslim	17	11	4	32(69.56%)
4. Educational Qualification of Respondent:				
Illiterate	3	1	--	4 (8.70%)
Literate	2	--	4	6 (13.04%)
Primary	14	6	--	20 (43.48%)
High School	10	4	--	14 (30.44%)
Intermediate	1	--	--	1 (2.17%)
Graduate and above	1	--	--	1 (2.17%)
Total	31	11	4	46 (100.0%)
5. Marital Status of Respondent:				
Married	19	10	4	33 (71.74%)
Unmarried	11	1	--	12 (26.09%)
Widow	1	--	--	1 (2.17%)

Demographic Characteristics

The demographic characteristics of the weaver households have been shown in Table 3.14. The average size of household was fairly large at 8.15. Poverty forces majority of family members to help in economic activity. Thus, 54 per cent of household members were engaged in weaving activity. Females constituted about one-half of workers. 15.3 per cent of boys and 21.1 per cent of girls below 15 years were also engaged in work. Child workers constituted nearly one-sixth of total workers.

Table 3.14: **Demographic Structure of Households of Wage Earners**

Area/Age Group		Family Size						
		Sex				Working (Weaving)		
		Male	Female	Total	Average size of Households	Male	Female	Total
Rural	Upto 15 years	56	64	120		8	12	20
	15 – 35 years	47	38	85		39	30	69
	35 – 59 years	24	26	50	8.35	18	21	39
	Above 60 years	1	3	4		1	3	4
	Total	128	131	259		66	66	132
Semi-Urban	Upto 15 years	23	18	41		4	6	10
	15 – 35 years	16	12	28		16	12	28
	35 – 59 years	6	8	14	7.82	6	8	14
	Above 60 years	1	2	3		--	1	1
	Total	46	40	86		26	27	53
Urban	Upto 15 years	6	8	14		1	1	2
	15 – 35 years	4	4	8		4	4	8
	35 – 59 years	4	4	8	7.50	4	4	8
	Above 60 years	--	--	--		--	--	--
	Total	14	12	30		9	9	18
Total	Upto 15 years	85	90	175		13	19	32
	15 – 35 years	67	54	121		59	46	105
	35 – 59 years	34	38	72	8.15	28	33	61
	Above 60 years	2	5	7		1	4	5
	Total	188	187	375		101	102	203

Living Conditions

The living conditions of weavers are not very favourable. Even in the present time nearly one-third are living in kutcha houses including in semi-urban and urban locations. Those living in pucca houses are barely 20 per cent of the households. Almost three-fourths have drinking water facilities within their houses and around 58 per cent also enjoy toilet facilities. However, less than 50 per cent of the houses are electrified. Keeping the average size of households in mind 3 in all the three locations the average number of rooms per household is rather low and that is again reflective of their poor housing conditions. Since weaving is their main occupation it is found that a high percentage of males as well as females have learnt the art of weaving and earn a living out of it. In fact even some of the younger children, both boys and girls, are weaving to earn a living. They, however, may be engaged in activities, which are important in the process preparatory to weaving (for details see Table 3.15).

Table 3.15: **Housing Conditions of Weavers**

Type of Facilities	Rural	Semi-Urban	Urban	Total
1. Type of House:				
Kutcha	8	5	2	15(32.61%)
Partly pucca	18	3	1	22(47.83%)
Pucca	5	3	1	9(19.56%)
2. Type of Facilities:				
Drinking water	22	9	3	34(73.91%)
Toilet	19	6	2	27(58.70%)
Electricity	13	7	2	22(47.83%)
3. Total Family members engaged in weaving	132	53	18	203
4. Average Number of Rooms	2.35	3.09	3.50	2.63
5. Average size of the household	8.35	7.82	7.50	8.15

Income Levels

Despite the fact that weaving is a full time occupation of weavers and only a few family members are doing work other than weaving, their incomes on a monthly basis are quite low. The details of their income are being given in Table 3.16. The overall average monthly household income worked out to be approximately Rs.2212. There were not many variations among the locations. In both rural and semi-urban areas they were around Rs.2200 per month, while they were slightly higher in the urban areas (Rs.2350 per month). In our entire sample only 7 individuals in rural and three in the urban areas were engaged in activities other than weaving but income levels from them were also low as a majority were earning below Rs.1500 per month. Consequently, the overall average monthly income taking all sources of earnings went up to Rs.2580 approximately taking all households together. Only in the urban areas the increase was slightly higher at around Rs.2900 per month (Table 3.16).

Table 3.16: **Total Household Income (Per Household)**

Income Category	Rural	Semi-Urban	Urban	Total
1. Weaving				
Below 1500	5	2	1	8(17.39%)
1500 - 2000	8	3	--	11(23.91%)
2000 – 2500	11	3	1	15(32.61%)
Above 2500	7	3	2	12(26.09%)
Average Income (from Weaving)	2195.16	2209.09	2350.00	2211.83
2. Other Labour				
Below 1500	5	--	3	8
1500 – 2000	2	--	--	2
Total Average Income (All sources combined)	2324.19	2209.09	2912.50	2581.39

Wages and Skills

All the sampled wage earning were skilled workers. The details about their wages and related matters are given in Table 3.17. Around two-thirds of our respondents acquired weaving skills from their family members while around one-fourth were trained by master weavers. The remaining sought help from their friends.

They are engaged in the production of a large variety of products. The most important are the bed sheets and bed covers. Even in bed covers a very wide range is produced which include simple bed covers for everyday use to very fancy and intricately woven ones which are quite expensive and are produced keeping in mind the well-off sections of society and for export. Over half of our respondents were manufacturing dress material for their employers. The other items being produced included gauze bandage, curtains, shawls, towels, sheets, etc. but their production was of mainly being done by our wage earners in rural or semi-urban areas.

Every one except one weaver is being paid wages on a monthly basis. The rest get paid on a piece rate basis. The daily wages worked out to around Rs.70 in rural and semi-urban areas while they were slightly higher at Rs.75 in the urban areas. Almost 80 per cent had no complaint regarding payments being received on time. However, those who did report delays in payment said delays were caused as a result of the attitude of some employers (Table 3.17).

Table 3.17: **Details of Workers and Their Wages**

Details	Rural	Semi-Urban	Urban	Total
1. Total Sample	31	11	4	46
2. Total Skilled Workers	31	11	4	46
3. How did you acquire skill:				
Family members	20	8	2	30(65.22%)
Master weavers	11	1	--	12(26.09%)
Friends	--	2	2	4(8.69%)
4. Products being Manufactured:				
Bed Sheets	29	11	3	43
Dress Materials	11	10	3	24
Gauze Bandage	6	2	--	8
Curtains	2	6	--	8
Shawls	5	2	--	7
Towels	2	3	2	7
Khes (Sheets)	5	2	--	7
Other Products	9	6	--	15
Dyeing	--	--	1	1
5. Average Daily wages (Rs.)	69.84	70.30	75.00	70.40
6. System of Wage Payment:				
Piece rate basis	31	11	3	45
Monthly wages	--	--	1	1
7. Are wages paid on time?				
Yes	25	9	2	36 (78.26%)
No	6	2	2	10 (21.74%)

Conditions of Work

Since all our weavers were wage earners it was essential to find out details not only regarding the wages being received by them but also the overall working environment, which was provided by the employer. These aspects are being analyzed with the help of Table 3.18. The table reveals that all the weavers are working in the sheds of the employers. However, there are some weavers in the area who procure raw materials from their employers and work at home. None of these were part of the sample but the wage pattern for such workers is also similar to those who work in sheds. Very few of our wage earners are receiving benefits other than wages. They constitute around one-third of our total sample. However, the nature of benefit is that the employer extends financial help by way of loan at times of need. The loan is then adjusted against wage payment.

Table 3.18: **Details of the Place of Work and other Aspects**

Details	Rural	Semi-Urban	Urban	Total
1.Description of work place:				
Work Shed	31	11	4	46
2. Other benefits besides wages?				
Yes	9	7	--	16 (34.78%)
No	22	4	4	30 (65.22%)
3. If yes, type of benefit:				
Loan at time of need	9	7	--	16
4. Changed job in last 5 years?				
Yes	10	4	3	17 (36.96%)
No	21	7	1	29 (63.04%)
5. If Yes, how many times?				
Once	2	--	--	2
Twice	4	--	1	5
More than Twice	4	4	2	10
6. Reasons for changing job?				
Low wages	4	1	1	6
Not getting regular work	4	2	1	7
Closure of Unit	2	1	1	4

The table also highlights the fact that the degree of satisfaction with their employer is reasonably high since around 63 per cent of our weavers have not changed jobs over the last 5 years. Those who have done so have changed jobs quite frequently because except for a few the rest have changed jobs more than twice over the last five years. Changes have been prompted by low wages, irregularity in getting work or even as a result of closure of the unit itself. The fact that

a majority has not changed jobs reflects on the overall harmonious relations which exist between employer and his employees.

Migration

Since the demand for handloom products is not constant there are lean periods when volume of production declines. These are the times when some of the family members of the weaver households may even migrate in order to seek work. Fortunately the incidence of migration is not very high. Only around 28 per cent households have reported migration of family members (please see Table 3.19). The incidence is higher in rural areas. This is natural because rural areas do not have employment avenues as compared to semi-urban and urban areas. Consequently worker in an urban or semi-urban location can afford to stay home and take up an occupation outside weaving. The main places of migration are Delhi, Haryana and Punjab (Panipat). Out of the total of 13 households from where workers have migrated the total number of workers is 18. As many as 13 of them are working as weavers at the place of their migration. The rest are engaged as non-agricultural Labourers (Table 3.19).

Table 3.19: **Details of Migration of Weavers**

Details	Rural	Semi-Urban	Urban	Total
1. Have any family members migrated recently?				
Yes	11	1	1	13 (28.26%)
No	20	10	3	33 (71.74%)
2. If Yes, how many persons?	15	2	1	18
2. Place of Migration?				
Punjab (Panipat)	11	1	1	13
Delhi	2	1	--	3
Haryana	2	-	--	2
3. Type of work being done?				
Weaving	11	1	1	13
Non-Agricultural Labour	4	1	-	5

Indebtedness

Among a group of households where monthly incomes are around Rs.2000 per month, it is natural to observe that for meeting certain exigencies loans may be required. Fortunately, among the weavers of Bijnore only around 30 per cent have had to take loan and were indebted at the time of our survey. The main source of obtaining loan has been the moneylender since half the indebted persons have borrowed from this source. The rest have taken loans from friends/ relatives, their employer or a bank. The most important reason for requiring a loan was social ceremonies (50 per cent response). Some have borrowed to construct a house or meet medical expenses. One rural weaver has had to borrow money even to purchase food for the household. The average amount of loan taken is not very high and worked out to around Rs.2700 for all households together (Table 3.20).

Table 3.20: **Details of Indebtedness**

Description	Rural	Semi-Urban	Urban	Total
1. Are you indebted?				
Yes	8	4	2	14 (30.43%)
No	23	7	2	32 (69.57%)
2. Source of Loan?				
Friends/Relatives	2	1	--	3
Employer	2	--	--	2
Bank	1	1	--	2
Moneylender	3	2	2	7
3. Reason for taking loan?				
Social Ceremony	3	2	2	7
Food	1	--	--	1
Illness	2	1	--	3
Construction of House	2	1	--	3
4. Average amount of loan per respondent (Rs.)	2484	3291	2750	2700

Government Assistance

It has already been indicated that the government is implementing various schemes for the benefit of the weavers. We, therefore, wanted feedback from them regarding their participation in the schemes and the nature of help being provided. We also wanted to know the degree of satisfaction among them about the wages, which they earn. It was equally important to know how they feel the government can come to their assistance besides the schemes already being operative and how they and their children feel about pursuing the weaving procession to earn a livelihood. The analysis of these aspects is being attempted with the help of Table 3.21.

Not a single weaver feels that the wages paid to him are a proper reflection of his efforts and skill involvement in weaving of handloom products particularly in view of the fact that the ultimate purchase is obtaining these items after paying a reasonably high price. Therefore, in their opinion there is room for improvement in their wages. Over 50 per cent feel that the minimum wages should be Rs.150 per day, while another 41 per cent feel that they should be Rs.200 per day. Keeping in mind the fact that presently they are earning barely around Rs.70-75 per day they feel that they are actually earning less than half of what is their due.

Looking at the various ways in which the government has been extending help to these weavers the actual participation levels are rather low at around 26 per cent. These individuals have been beneficiaries of the health insurance scheme, or training or through the Indira Awas Yojana. Indira Awas Yojana as we know is a general scheme and not specific for the benefit of weavers (Table 3.21).

In the opinion of the weavers the most important area in which they seek government assistance is in the revival of PICUP and U.P. Handlooms so that the weavers can be assured of

regular market for their products as well as for the supply of raw materials as was the case a few years earlier. The next most important area of intervention is related to fixing minimum wages for the weavers. The other aspects where government assistance is desirable in ensuring regular power supply to facilitate weaving activity, to make bank credit easily accessible by introducing 'Bunkar Cards' on the lines of 'Kissan Cards', provide housing facilities where the height of the rooms can be suitable for fixing frame looms with jacquards and make provisions so that raw material is available to weavers throughout the year at reasonable rates. This will help them in being released from the obligation of either President of the Co-operative or traders and commission agents and their helplessness to sell the product to those who had given raw materials to them (Table 3.20).

Table 3.21: **Perceptions of the Wage Earners**

Perception	Rural	Semi-Urban	Urban	Total
1. Do you feel your wages are sufficient?				
Yes	--	--	--	--
No	31	11	4	46
2. If No, what should they be?				
Rs.100/- per day	2	1	--	3 (6.52%)
Rs.150/- per day	15	7	2	24 (52.18%)
Rs.200/- per day	14	3	2	19 (41.30%)
3. Government give any help?				
Yes	4	8	--	12 (26.09%)
No	27	3	4	34 (73.91%)
4. If Yes, which scheme?				
Provide Awas	3	2	--	5
Health Insurance	3	4	--	7
Provide Training	2	5	--	7
5. How can Government help you (Multiple response)?				
Revival of UPICA and UP Handloom	23	7	2	32 (69.57%)
Marketing arrangement	19	8	2	29 (63.04%)
Provide Bunker Credit Card	13	4	1	18 (39.13%)
Fix wage rate	16	7	3	26 (56.52%)
Provide raw material	8	5	2	15 (32.61%)
Establishment of Cotton Depot	5	2	1	8 (17.39%)
Regular Power Supply	14	6	2	22 (47.83%)
Housing facility	11	6	1	18 (39.13%)
6. Do you want your children to continue the traditional work?				
Yes	22	5	2	29 (63.04%)
No	9	6	2	17 (36.96%)
7. Do your children also willing to become weaver?				
Yes	15	3	2	20
No	7	2	--	9
8. If No, what work would they like?				
Business	2	--	--	2
Service	5	2	--	7

Almost two-thirds of the respondents have expressed the view that they want their children to continue their family occupation. The rest feel that their children should seek alternative occupations to sustain themselves. Even among these families, however, not all the children are keen to take up weaving as a profession. Only around 69 per cent from these households have shown their willingness to retain the family occupation. The rest mainly want to take up a service while a few want to start some business.

IV. The Production Process

Although Bijnore specializes in the production of handloom cotton material so the major difference in the production process vis-à-vis silk handloom is in the use of raw material being used and in technology adopted. As against silk yarn cotton yarn is being used. Moreover, the looms of Azamgarh were all pit looms and this was also the case in Varanasi, which too specializes in silk sarees, etc. In the case of Bijnore, however, the looms are all frame looms barring only a negligible number. The production, therefore, involves processes quite similar to those already described in the production of silk handlooms.

(i) **The Yarn**: The majority of units are producing cotton products only. Thus, gray cotton yarn is the main raw material being used. The yarn is available in local markets such as Chandpur, Dhampur, Nehtaur, etc. Some dealers also purchase gray yarn from places like Meerut, Saharanpur and Delhi. Saharanpur has 8-10 yarn mills but a major producer of yarn is Panipat. Other sources of yarn supply to the local market are Gujarat and even down south.

Cotton yarn is available in different counts and is available either in bundles of 4.5 kgs. each or in cones of 1.00 or 1.25 kg each. At the time of our survey the prevailing prices of cotton yarn were as follows:

Count No.	Rate per Bundle (4.5 Kgs)	Cone of 1 Kg.
No.10	270	--
No.20	375	--
No.24	415	--
No.30	--	96
No.36	--	100

While majority of handloom products are pure cotton items but some items such as fancy bed covers, curtains, towels, etc. may also have a mix of cotton and synthetic yarn. For example we met a unit owner who, besides producing pure cotton was also manufacturing terry-cot denim, which is being exported.

(ii) **Dyeing and Bleaching**: In order to manufacture coloured material dyeing is an important process. Equally important is bleaching of the yarn since gray yarn has an off-white colour and in many items of home furnishing pure white is in demand. Bleaching or dyeing is possible only if cotton yarn has been purchased in bundles. In case cones have been purchased then they cannot be bleached or dyed. Dyes and bleaching materials are all available in the local markets and all the standard items have to be manufactured using fast eyes. However, the bleaching or dyeing process is mainly carried out by bigger sized units themselves using the traditional technology, which is not very good. In Nehtaur, however, there is a large unit, which not only produces cloth on the handlooms and power looms but also has a large automatic dyeing plant as well. A large number of other units also are heavily dependent on this unit especially when dyeing has to be done in bulk.

(iii) **Drying**: Once the yarn has been dyed or bleached it has to be properly dried. The most convenient place for this is the terrace of the units.

(iv) **Warping and Weft Preparation**: This is the process just before weaving is begun. The yarn has to be set on the frame loom.

(v) **Setting Design on the Jacquard**: In the case of intricate designs a lot of effort is needed before weaving commences. There are expert designers who either conceive a design or make one according to the specifications provided to them. Once the master designer has made the pattern and it has been approved it is then transferred on a graph paper. The graphic pattern is then punched on special cards which are again punched by expert card punchers. These punched cards are then fixed on the jacquard and yarn passes through them. The weaver is now ready to manufacture the cloth according to the design set on the jacquard.

(vi) On the frame loom generally one weaver is sufficient. However, when designs are complex and very intricate, then two individuals might have to work simultaneous on the loom.

(vii) **Joining the Yarn**: Generally the loom is fitted with yarn to produce items of specified width and length. This may require more yarn than what is available in a bundle or cone. Therefore, yarn has to be joined. Moreover, even during the weaving process yarn break occasionally. These too have to be joined immediately to ensure uninterrupted weaving. Thus, joining of the yarn too is an important function, which does not need the services of an highly skilled weaver.

V. Analysis of Value Chain

The main production of handloom units in Bijnore are bed sheets. One of the fancy items is string curtain. We asked the manufacturers to give a break-up of the cost involved in different stages of production as well as marketing. We have thus worked out value chains for these two products.

Total manufacturing cost of one bed sheet is Rs. 125 while its show room price is Rs. 185. Cooperative society and wholesaler charge a profit of 10% each, while the shop keeper gets a margin of 20% over purchase price. Wages constitute 20% of manufacturing cost and only 13.5% of sale price.

Value Chain of Fancy Bed Sheet (Single Bed)

Size= 90 cms x 60 cm; Count = 2 x 20; Net weight = 750 grams.

Raw Materials

400 gm cotton yarn for Waft @ Rs.80 per kg	= Rs.32
150 gm cotton yarn for Warp @ Rs.80 per kg	= Rs.12
100 gm shaneel yarn @ Rs.120 per kg	= Rs.12
50 gm Acryelic yarn Rs.250 per kg.	= Rs.12
50 gm Fancy Cotton yarn @ Rs.100 per kg	= Rs. 5
Total	Rs.73/-

Rs.73/-

Dyeing	= Rs.17
Joining, Wrapping Fitting on loom	= Rs.10
Total	Rs.27/-

Rs.100/-

Weaving Charges Rs.25/-

Rs.125/-

Profit Margin @10% Rs.13/-

Rs.138/-

Transport Charges Rs.2 per sheet Rs.2/-

Rs.140/-

Wholesaler's Margin @ 10% - Rs.14/-

Rs.154/-

Profit Margin of Show Room/ Shop @ 20% Rs.31/-

Rs.185/-

Price paid per bed sheet by the Consumer Rs.185/-

P.S.: In one day a weaver can make upto a maximum of 3 bed sheets.

Total manufacturing cost of string curtain is Rs. 250 while its export price is Rs. 415 . Cooperative society charges a profit of 10%,, while the dealer gets a profit margin of 50% over purchase price. Wages constitute less than 10% of manufacturing cost and only 5% of sale price.

Value chain- String Curtain – Acrylic without Beads

Size : 90 cm x 210 cm   Weight 1 Kg. (approx.)

Raw Material – Acrylic Yarn:
800 gm @ Rs.225/- per kg = Rs.180/-

Rs.180/-

Dyeing/Bleaching, Joining	Rs.40/-
Fitting on loom	Rs.10/-
Total	Rs.50/-

Rs.230/-

Weaving Charges	Rs.15/-
Finishing	Rs. 5/-
Total	Rs.20/-

Rs.250/-

Transportation per piece Rs.2/--

Rs.252 /-

Commission of the Co-operative Society @ 10% Rs.25/-

Rs.277/-

Dealers Commission 50% * Rs.138/-

* Actual figure not known

Rs.415/-

Approximate rate at which each Curtain is being exported Rs.415/-

P.S.: These curtains the manufacturer is supplying to a dealer in Jaipur. The manufacturer is not sure but feels that they are being supplied at around $ 10-12 per curtain.

In one day a weaver can make around 4-5 curtains.

Raw Material Consumption and Production of Handloom Fabrics
(Crude Estimates based on Discussions and Field Observations)

BIJNORE DISTRICT

➢	Approximate number of weavers (2006)	90,000
➢	Approximate number of person days work generated per annum	250
➢	Main points:	
	(a) Fancy Bed Covers	15%
	(b) Bed Covers/Sheets	40%
	(c) Gauze Bandage	20%
	(d) String Curtains	10%
	(e) Other furnishing material	15%
➢	Average length of fabric woven per person per day:	
	(a) All furnishing	7 metres
	(b) Gauze bandage	10 metres
➢	Person days of work generated (Total)	225 lakh
	(a) Fancy Bed Covers	33.75 lakh
	(b) Bed Covers/Sheets	90.00 lakh
	(c) Gauze Bandage	45.00 lakh
	(d) String Curtains	22.50 lakh
	(e) Other Furnishing material	33.75 lakh

➢ Estimates of Raw Material Consumption (Quantity and Value)

Raw Material	Quantity (lakh kgs)	Value (Rs. in crore)
(a) Cotton Yarn	42.83	25.87
(b) Shaneel Yarn	1.64	1.97
(c) Acrylic Yarn	0.82	2.05
(d) Fancy Cotton Yarn	2.80	2.80
(e) Nylon Yarn	5.96	10.73
Total Value		43.42

➢ Estimates of production (Quantity and Value)

Item	Quantity	Value (Rs. in crore)
(a) Fancy Bed Covers (Nos.)	16.60 Lakh	30.71
(b) Bed Covers/Bed Sheets (Nos.)	40.00 Lakh	28.00
(c) Gauze Bandage (in metres)	45.00 Lakh	6.75
(d) String Curtains (Nos.)	10.00 Lakh	41.50
(e) Other Furnishings (in metres)	37.35 Lakh	7.47
Total Value		114.43

VI. Strength and Weaknesses of Handloom Sector of Bijnore

(i) Strengths

- All the weavers have been engaged in weaving for considerable time and are expert weavers.
- The number of looms are sufficient in the area. Thus, they can cope with the pressure of increased demand as and when it presents itself.
- Bijnore has an established market all over the country for its gauze bandage.
- Even in the case of home furnishings there is a ready market for bed sheets, bed covers, towels, etc. because they are items of daily use and are in demand from the common man as well.
- The better quality products such as synthetic bed covers and string curtains etc. are very good in quality and so even an export market has been developing over the years for these products.
- The local markets are themselves good enough to cater to the various raw material requirements of the units. Additional requirement too can be met from places like Meerut, Delhi and Saharanpur, which are not very far away.
- Demands have not been declining alarmingly because the weavers have diversified and adopted new designs.

(ii) Weaknesses

- Prices of yarn have been fluctuating and this adversely affects cost of production. This is a major problem when costs go up but order has to be supplied at a pre-determined rate.
- The powerloom sector does offer stiff competition particularly in terms of simple products which can be manufactured relatively cheaper on a power loom.
- The banks have been far from co-operative in extending credit to weavers.
- With only one modern dyeing plant in Nehtaur, the weavers are faced with considerable difficulty when say 1000 bed sheets of same colour and design have to be supplied. The traditional method of dyeing at times leaves difference in shade or the yarn is not evenly dyed over its entire length.
- While the market has not seen a big slump in the demand, the smaller units are unable to procure proper orders or even sell their products in the local market at reasonable rates. Consequently, they are dependent on either their Co-operative Society or else on big

traders or commission agents not only for supply of raw material but also the sale of the products. Thus, they are not being paid according to their productivity.

- There was a time when the government regularly organized fairs and exhibitions. The products were quite easily sold during these occasions. The producers offered a rebate and this was reimbursed by the handloom department. This too facilitated their total sales. Of late, however, these rebates have been stopped and even the total number of fairs and exhibitions has been reduced.

CHAPTER IV

HANDLOOM CLUSTER VARANASI

I. Introduction

Varanasi, also known as Banaras and Kashi, is a very ancient city situated between the rivers Varuna and Asi on the left bank of river Ganga. References to the city are found in the Vedic literature. It was also well known during the time of Buddha, who gave his first sermon at Sarnath, which is located only a few kilometers from Varanasi. For the Hindus it has a special religious significance. A large number of temples are found in the city, among which the most venerated temple of that of Lord Shiva – the Vishwanath temple.

Besides its religious significance Varanasi has also been famous as a centre of learning and artistic activities during the ancient period. In more recent period the dancers and musicians of the 'Varanasi Gharana' (The Varanasi School of Music) have acquired international reputation. The most popular name among them is that of the great Shehnai Maestro Ustad Bismillah Khan who expired recently, while our survey of the Varanasi Handloom sector was in progress.

Varanasi has won international acclaim for its silk brocades with gold and silver thread work. The silk industry flourished here even in the Vedic period. Historians have traced the handloom weaving work of Varanasi to roughly 1500 BC. Even today silk fabrics manufactured in Varanasi find a market not only within the country but also outside. The main specialization of the cluster lies in production of silken products. But in the recent yeas some workers have also shifted to producing synthetic material in view of the changing demand patterns as well as the high prices of silken yarn.

The Census of the Handloom sector was last conducted during the year 1995-96 and at that time the total number of weavers was found to be 1,24,832 and the total number of handlooms in the district were 75,313. Since then no proper estimates have been worked out but the officials from the regional handloom directorate estimate that even today there should be around 75-80 thousand looms and between 1.25 – 1.30 lakh weavers in the district. However, the actual number of working looms and weavers engaged tends to fluctuate from time to time depending on the demand conditions prevailing in the market.

The Regional Handloom Directorate, headed by an Assistant Director for this region is located in Varanasi itself. The other districts, which are also covered by this office, are Jaunpur, Chandauli, Mirzapur, Sant Ravidas Nagar and Sonebhadra. As per the 1995-96 census the total number of handlooms taking all the 6 districts together were 86,438 and the total number of weavers was 1,47,695. The significance of Varanasi as a centre for production of handloom fabrics is quite obvious because it alone accounted for around 87 per cent of the total looms and approximately 84.5 per cent of the total weavers covering the 6 districts falling within control of the regional office. From the point of

view of staff the regional office is fairly well staffed with a total strength of 43. However, as is the case in all other regional offices the staff does not have sufficient infrastructure. Even the building, which houses the regional office, is not well maintained.

Areas of Concentration of Handloom Weavers

(i) Ajgara	(ii) Araji Lane	(iii) Cholapur
(iv) Kawata	(v) Lohata	(vi) Nati-Imli
(vii) Pili Kothi	(viii) Ramnagar	(ix) Sahsos

The areas selected for survey included Cholapur, Araji Lines, Ram Nagar, Lohata, Peeli Kothi and Nati-Imli since the maximum concentration as indicated by the officials of the Regional Handloom Directorate was in these areas.

The main clusters of handloom activities in the district include the following:

(a) **Ram Nagar** – It is located approximately 15 kms from Varanasi and is a predominantly Hindu weaver locality. It specializes in manufacturing silk sarees only. Very expensive sarees in the range of Rs.30 – 50 thousand are still being manufactured. These are purely for export purposes or have fixed clientele either from the erstwhile royal families or rich households. The cost is high primarily on account of the use of pure Zari in the embroidery work.

(b) **Lohta** – This is located roughly 15 kms away from Varanasi and almost all the weavers in this area are Muslims. As a result of the fluctuations in prices of silk yarn on one hand and a general decline in demand for silk sarees among the average buyers, the weavers have switched over to the production of Art Silk (synthetic yarn) sarees in the lower price range of between Rs.300 – 400 per saree.

(c) **Cholapur** - This is a rural area approximately 25 kms from Varanasi city and Hindu weavers are in an absolute majority accounting for over 80 per cent of the total weavers. They too have maintained the tradition of manufacturing pure silk sarees almost exclusively. Only a very few are using synthetic yarn.

(d) **Araji Line** - Is another rural area roughly 20 – 25 kms from the city of Varanasi and nearly 70 per cent of weavers are Muslim while the rest are Hindu. The main concentration is on the production of cheaper Art sarees using synthetic yarn.

(e) **Peeli Kothi** – This is an urban area within the city and is almost exclusively inhabited by Muslim weavers. Some of the weavers are extremely rich and deal mainly in items of export all manufactured using pure silk yarn. Thus, one can find very expensive silk sarees, as was the case in Ramnagar. The other items being manufactured in Peeli Kothi include costly silk dress material, silken ties, silken bed covers and export items particularly for Tibet and other places where Buddhists monasteries are found. For them brocade wall hangings depicting either floral patterns or Buddhist religious paintings and robes made of silk brocade.

(f) **Nati Imli** – This is also an urban location and to develop a cluster the government constructed a Bunkar Colony in 1963 and gave 100 houses to the weavers. Each house had one living room and a second room (size 10'X20'), which was big enough to fit two pit-looms. It was hoped that this centre would pave the way for development of other such centres as well. The centre worked smoothly till the 1990s. Pure silk fabrics on the lines of Peeli Kothi ware being made here. However, by the last 1990s the silk handloom market began experiencing fluctuations because of the rising trend in the prices of silk yarn and the power-looms of Surat were able to copy the same design and manufacture art Silk Sarees at half the cost. Consequently a number of handloom weavers also switched over to powerloom and some who could not do so or face the competition were forced to leave weaving and change their occupation. The total number of handloom weavers not only of the Bunker Colony alone but other parts of Nati Imli also were considerably reduced. However, even now there are weavers who are still manufacturing silk yarn on their handlooms and so the area is connected to its past glory.

For the purpose of our survey we selected units from all the above locations. Cholapur and Araji Lines are rural locations while Ramnagar and Lohta comes under the semi-urban category. Peeli Kothi and Nati Imli, as already indicated are urban locations. We have, thus, described our locations as rural, semi-urban and urban in all Tables, which will be presented and analyzed in the subsequent pages. The break-up of the total sample was as follows:

Type of Location	No. of Units	No. of Wage Earners	Total
Rural	10	14	24
Semi-Urban	10	14	24
Urban	10	15	25
Total	30	43	73

II. Analysis of Handloom Units

Caste and Age

Table 4.1 gives the general information about the unit owners. A caste-wise break-up reveals that in the rural and semi-urban areas a relatively larger proportion of weavers in our sample were Hindus belonging to either SC or the OBC category. However, in the two urban locations we could cover only Muslim weavers. In rural and semi-urban locations a majority of unit owners were found in the age group of between 25-40 years. However, in the urban area a majority were found in the age group of between 40-55 years. The overall average age of all unit owners taken together worked out to around 42 years.

Literacy Levels and Training

Within our sample only around 17 per cent unit owners were illiterates while an equal number were literates but had no schooling. Thus, around two-thirds had some educational qualification although nearly one-third of the total sample had schooling only upto the primary level. This is the case because since weaving is a traditional activity children learn the art of weaving at a very early age and help the rest of the family in one way or the other. Consequently schooling looses focus. Even then around one-third of our respondents had studied upto the level of high school and above although none with this qualification was among the sample covered by us. But this does not mean that the picture of rural and urban areas is better than the urban areas since our sample was rather small and in selection of the sample no special effort was made to ensure that respondents sere taken from different educational backgrounds. As is quite obvious from the table itself all our weavers have received informal training from their family members or other relatives and so no one had any formal training as such. However, since the parents of many were themselves master weavers they have had the good fortune of being trained by some of the best in the trade of their area (Table 4.1)

Table 4.1: **General Information about Unit Owners**

Details	Rural	Semi-Urban	Urban	Total
1. No. of Respondents	10	10	10	30
2. Caste of Respondents				
Scheduled Caste	2	--	--	2
Other Backward Caste	4	7	--	11
Muslims	4	3	10	17
3. Age Break-up of Respondents				
25 – 40 years	6	7	1	14
40 – 55 Years	3	1	7	11
Above 55 years	1	2	2	5
Total	10	10	10	30
Average Age	39.90	39.20	47.70	42.27
4. Educational Qualification of Respondents				
Illiterate	1	1	3	5 (16.67%)
Literate	2	1	2	5 (16.67%)
Primary	4	2	5	11 (36.67%)
High School	1	4	--	5 (16.67%)
Intermediate	1	1	--	2 (6.66%)
Graduate and Above	1	1	--	2 (6.66%)
5. Type of Training				
Informal	10	10	10	30
Formal	--	--	--	--

Demographic Features

Table 4.2 deals with the details pertaining to the demographic structure of the households of the unit owners. In all the three locations the concentration of the members was found in the age group of below 15 years. In the rural and semi-urban locations females outnumbered their male counterparts marginally. However, in the urban area the males by far outnumbered females and in the three locations taken together also the total number of males was higher as compared to females. It was slightly surprising to find that the average household size was found highest among the urban household sample (11.70 members) as compared to semi-urban (8.70) or even rural households (9.90). The percentage of workers in the total households was quite high at around 61 per cent. Even among the children upto 15 years old nearly one-third of them are engaged as full time workers (Table 4.2).

Table 4.2: **Demographic Structure of Unit**

Area/Age Group		Family Size						
	Sex			Average size of Households	Working (Weaving)		
	Male	Female	Total		Male	Female	Total
Rural Upto 15 years	19	27	46		8	6	14
15 – 35 years	16	13	29		15	9	24
35 – 59 years	10	10	20	9.90	10	8	18
Above 60 years	2	2	4		1	1	2
Total	47	52	99		34	24	58
Semi-Urban Upto 15 years	19	18	37		7	4	11
15 – 35 years	15	14	29		15	11	26
35 – 59 years	8	10	18	8.70	8	8	16
Above 60 years	1	2	3		1	2	3
Total	43	44	87		31	25	56
Urban Upto 15 years	31	23	54		12	7	19
15 – 35 years	29	14	43		22	13	35
35 – 59 years	9	8	17	11.70	9	8	17
Above 60 years	1	2	3		1	--	1
Total	70	47	117		44	28	72
Total Upto 15 years	69	68	137		27	17	44
15 – 35 years	60	41	101		52	33	85
35 – 59 years	27	28	55	10.10	27	24	51
Above 60 years	6	4	10		3	3	6
Total	160	143	303		109	77	186

Income Levels

There are some differences in the income levels between the rural households on one hand and the semi-urban and urban households on the other. Average annual income of units is lower in the rural areas and worked out to be around Rs.27,650. In the semi-urban areas it was close to Rs.38 thousand whereas in the urban areas it worked out to be approximately Rs.36.5 thousand per annum. The overall average income of all the households taken together was around Rs.34 thousand on an yearly basis. Therefore, incomes on a monthly basis are even below Rs.3000 on an

average. This is a poor reflection as far as the levels of living of these persons are concerned considering the fact that the average size of their households is 10. Moreover, it is also a cause for concern because they are skilled persons and have been engaged in an activity which used to be known all over the country and even abroad for its fine craftsmanship and is in fact acclaimed even today. The table further reveals that except for three units of the rural areas who have some income from agriculture, they are by and large fully dependent on weaving as their main source of livelihood. Even this additional income has been beneficial in raising income per annum by a few thousand only for these households.

Table 4.3: **Total Households Income of the Unit Owners (Per Annum)**

Income Category	Rural	Semi-Urban	Urban	Total
1. Weaving				
Below 20000	4	2	2	8
20000 - 40000	5	5	5	15
40000 - 60000	1	1	2	4
60000 – 80000	--	2	1	3
Total	10	10	10	30
2. Average Income (From Weaving)	27650	37940	36500	34030
3. Other Sources				
Below 25000	2	--	--	2
25000 – 40000	1	--	--	1
Total Average Income (All Combined)	33650	37940	36500	36030

Nature of Units and Products

The details about these units is being analyzed with the help of Table 4.4. Only around two-thirds of the units taken together are members of a Co-operative Society. Membership levels are higher in rural and urban areas but only 50 per cent in the semi-urban areas. Most of the non-members feel that becoming a member of any co-operative is not really yielding them any special benefits. The general apprehension is that it is the President of the Co-operative who enjoys the benefits along with some of the other key office bearers and that the ordinary member handling stands to gain anything. The sale of products manufactured through the co-operative are sold after adding some percentage as profit. At the end of the year the profit is to be proportionately shared among the various members. The co-operative society maintains records but somehow the members are always skeptical about the fairness with which the distribution of profits is carried out. While it could be true that some co-operative societies indulge in such a practice but this does not mean that societies per say are all cheating their members. The problem also lies in the lack of understanding among the weavers and their relatively low levels of education, which cause such misunderstanding.

In the case of the unit owners in the rural areas the entrepreneurs have been working since 1986 or even later. They accounted for 60 per cent of our respondents. In semi-urban area 50 per cent started working between 1976 and 1985 but in the urban areas the proportion of persons who have been working before 1975 is 70 per cent. This is understandable also because these entrepreneurs are also in the relatively higher age group. All the units, without any exception are hereditary and have been passed down from father to son. In fact it was common to find units where the work has been going on for two or three generations. In the case of one rural unit it is now in the fourth generation.

We met two individuals one each from Ramnagar and Peeli Kothi respectively who have recorded history of their unit being over 100 years old. Unfortunately, he did not agree to fill up our questionnaire for reasons not disclosed by him but he is the President of a Weavers' Co-operative Society and his own unit was registered as early as 1965. He is a Hindu and enjoys a very high reputation, as he himself is a master weaver with over 60 years of weaving experience. The unit only manufactures expensive silk products ranging from silk sarees costing even over Rs.40 thousand if silver or gold thread is used in the brocade work, silk dress material, silk shawls and household furnishings of silk such as curtains, table cloth, cushion covers, etc. They specialize in making some sarees exclusively for the extremely rich customers and these are designer products because not more than two sarees of a given design are manufactured. A large chunk of the production is for the export market.

Similarly in Peeli Kothi we met Mr. Badruddin, a leading manufacturer, who has been exporting his handloom products to the western European countries as well as the Far East. His family too has been involved in weaving for well over 100 years. Besides being a manufacturer and President of a Co-operative Society, he is also a very large trader and has been manufacturing brocade materials especially for the Buddhist monasteries. Besides this material they are also manufacturing expensive silk sarees, dress materials and items of home furnishing. In the year 1886 their unit received a prize from the British Government for excellence in weaving. In fact they were asked to take a loom to London and set it up for demonstration. And exactly 100 years later their unit bagged the National Award (1986) for weaving a braced cloth using silk fibre and peacock feathers. Even from this unit we could not fill a questionnaire since the day he had promised to do so he had to go out for a few days for some personal work.

Among the units which were surveyed by us we saw units manufacturing only silk sarees, only synthetic sarees or both silk and silk mixed synthetic sarees or even purely art silk sarees. Some were also manufacturing silken dress material. Although the 30 units between them have 137 looms but only 100 were working at the time of our survey thus only around 73 per cent looms were functional (Table 4.4).

Table 4.4: **Details about the Unit**

Details	Rural	Semi-Urban	Urban	Total
1. **Is your unit registered with any Co-operative Society?**				
Yes	7	5	7	19
No	3	5	. 3	11
2. **If No, Why?**				
No Benefit	2	3	2	7
No knowledge	1	2	1	4
3. **Since when did you start working?**				
Before 1975	4	3	7	14
1976-1985	--	5	3	8
1986-1995	3	2	--	5
After 1995	3	--	--	3
4. **History of Unit:**				
Hereditary	10	10	10	30
5. **If Hereditary, No. of Generations?**				
One	3	--	--	3
Two	4	6	6	16
Three	2	4	4	.10
Four	1	--	--	1
6. **Total Number of Looms:**				
Actual	49	47	41	137
Working	37	36	27	100
7. **Main Products (Multiple Response)**				
Pure Silk Sarees	6	8	7	21
Pure Synthetic Sarees	5	4	3	12
Silk as well as Synthetic Sarees	4	3	4	11
Silken Dress Material	2	6	5	13

Demand Situation

The silk handloom sector has witnessed a decline over the last few years because of a number of factors such as increasing prices of silk and synthetic yarn, competition from the power looms which are able to copy the design of silk sarees and produce either silk and synthetic mixed sarees or even purely synthetic sarees. The problem faced by silk handloom can be seen from the fact that a pure silk saree does not cost less than around Rs.2500 and takes a weaver 6-7 days to weave and for this he gets wages at the rate of Rs.100 per day. As compared to this a silk and synthetic yarn mixed saree manufactured on power loom in Varanasi itself is available for around half the price and a weaver can weave upto 4 such sarees per day and per saree weaving charges are only Rs.60 to the weaver. The situation in Surat makes the picture even grimmer. The power looms of Surat can manufacture upto 20-24 sarees per day using pure synthetic yarn and these are available in the price range of Rs.250 – 400 only. Moreover, the weavers of Surat are getting around Rs.150 per day so the per saree weaving cost works out to less than Rs.10.

Employment Trends

Because of these adverse conditions which the handloom sector has been faced with particularly in the last few years it has had a negative impact on the potential of the sector to offer employment opportunities to hired workers in all the three locations. We have tried to capture this change in Table 4.5. In the rural units surveyed by us there were a total of 45 hired workers in the skilled category itself five years earlier. Therefore, each unit was employing, on an average, 4.5 workers. The same units are presently managing with only 36 hired workers. Similar picture emerges in the semi-urban and urban units where the hired workers were 40 and 26 respectively but have presently been reduced to 15 and 10 in the case of semi-urban and rural locations. Thus, the decline is more marked in semi-urban as well as urban units where per unit average hired workers have come down from 4 and 2.6 to 1.5 and 1.0 respectively.

Table 4.5: **Details of Labourers Employed**

Area	Workers	Sex	Type of Workers					
			Skilled		Semi-Skilled		Unskilled	
			At Present	5 Years Earlier	At Present	5 Years Earlier	At Present	5 Years Earlier
Rural	Unpaid Family Workers	Male	21	24	3	14	2	8
		Female	4	6	9	11	5	6
		Child	2	1	7	8	5	8
	Hired Workers	Male	29	37	3	2	--	--
		Female	6	4	2	1	--	--
		Child	1	4	5	--	--	3
Semi-Urban	Unpaid Family Workers	Male	21	23	2	2	1	4
		Female	6	10	8	1	7	5
		Child	--	2	6	3	5	6
	Hired Workers	Male	13	31	--	--	--	--
		Female	2	7	--	--	--	--
		Child	--	2	--	--	--	--
Urban	Unpaid Family Workers	Male	29	30	2	5	1	9
		Female	8	12	9	9	4	3
		Child	2	1	10	6	7	8
	Hired Workers	Male	8	14	--	4	--	--
		Female	1	7	--	2	--	--
		Child	1	5	2	5	--	--
Total	Unpaid Family Workers	Male	71	77	7	21	4	21
		Female	18	28	26	21	16	14
		Child	4	2	23	17	17	22
	Hired Workers	Male	50	74	3	4	--	--
		Female	9	16	2	2	--	--
		Child	2	8	7	5	--	3

In fact, even in the case of skilled unpaid family workers there has been a decline. This decline is in tune with the fact that the actual number of working looms is only 100 although these

30 units taken together have between them 137 looms. As far as the semi-skilled and unskilled workers are concerned there was not much scope for hired workers even five years earlier. This work is handled mainly by the unpaid family workers. However, even in these two categories a decline over the last five years is witnessed in the rural units relatively to a greater extent than in the semi-urban and urban units. In fact, the semi-skilled household workers have increased in the semi-urban units (Table 4.5).

Investment

We wanted to have some idea related to investments made in units. However, since the units are all hereditary it was not possible to obtain information about the investments made at the time of initiating the units. We have, for the sake of convenience tried to estimate the approximate cost of investment on the looms by taking the prevailing prices. At present a loom costs between Rs.8 – 10 thousand depending on the type of wood used for preparing the frame of the loom and also the frame size. The next thing, which calls for investment is the jacquard. If you want a loom fitted with a jacquard its approximate cost at present is around Rs.15 thousand. Once again the land has been in possessions of unit owners since generations and so if the price of land was assessed taking its current value then a highly inflated figure would be arrived at. Thus, we have taken fixed investment in loom, its fitting and accessories which go with it only as our component of the fixed cost. Details related to investment are provided in Table 4.6. Since the total number of looms per unit, whether working or not working is not very high the figures of average fixed investment per unit work out to around Rs.42800 per unit for all the units taken together (Table 4.6).

Table 4.6: **Details about Investment in the Units**

Details	Rural	Semi-Urban	Urban	Total
1. Fixed Capital Invested on Looms (Rs.) (Average at Present Prices)	43300	48000	37200	42833
2. Have you invested during the last 5 years?				
Yes	8	7	10	25 (83.33%)
No	2	3	--	5 (16.67%)
If Yes, source of funds				
Own Savings	5	2	2	9
Friends/Relatives	1	1	2	4
Trader	2	4	6	12
Average investment per unit per annum (Rs.)	1975	2190	3580	2580

Although the present owners of the unit have not made investment while the units were being set up they have, in any case, been investing money from time to time in the repair and maintenance of the looms. In fact over 80 per cent have made investments over the last five years. In the rural areas, most of these investments were made over the last five years. In the rural areas most of these investments have been met with the help of the savings of the unit owners

themselves. In the semi-urban and urban areas the dependence for taking loan has been on the traders. The traders keep purchasing the finished products manufactured by these units. In fact there are times when the units even get the raw material from traders and the units produce items on specifications given by the trader in accordance to the order received by him. The average investment per unit was lowest in the rural units (Rs.1975) and marginally higher in semi-urban units (Rs.2190) but was relatively higher in the urban units (Rs.3580). The overall average for all units taken together is Rs.2580. On the whole therefore, investments which are required whether in initial setting up of a new loom or even their regular repair and maintenance is not very high and the banks could arrange for supply of credit at reasonable rates without too much problem. However, at present not much co-operation is being received from the banks in terms of easy credit to the weavers.

Raw Material

As had been observed in the case of Azamgarh, a number of raw materials are used in the production of synthetic yarn. The prices of these products are the main factors which determine the cost of production of various items. It was, therefore, essential to find out details about them, their availability and trends in their prices. Details please refer to Table 4.7. Silk yarn is one of the main raw materials which is being used in the manufacture of silk sarees, dress materials, etc. Among silk yarn the most popular is the Chinese Silk yarn which is being used by almost all the units except for two from the rural areas. Silk yarn being manufactured in Malda, West Bengal is also being used by around one-third of the units. Although our sample did not have any unit using silk yarn being manufactured in Karnataka but it is also being used by units of Varanasi. Despite the fact that silk yarn is being used in the handloom units not only in the state but in other states as well, the production of silk within the country has not been promoted properly. As a result the Chinese silk yarn keeps getting dumped in the market and there is such a heavy dependence on it. The other items which are also used in the production process are 'Zari' which could be synthetic or even pure Zari for manufacturing expensive sarees or brocade, 'Meena' and silken thread used in the embroidery work.

Since Varanasi has emerged as a very important center for silken handloom products a local market has also developed not only in urban and semi-urban areas but also in some rural locations and so the weavers do not have to go very far to procure these raw materials. However, when something very specific is demanded then too it is available within the district itself. For some people they do not have to go to the market even and raw material is supplied to them directly by the traders or co-operatives or the intermediaries who obtain orders from big parties within or outside the state, arrange for the raw materials and then pass them on to the weavers. In such a case the products have then to be sold to them only (Table 4.7).

Table 4.7: **Details about Raw Material**

Raw Material Used	Rural	Semi-Urban	Urban	Total
I. Raw Material Used				
Chinese Silk Yarn	8	10	10	28
Silk Yarn from Malda (West Bengal)	3	2	4	9
Synthetic Yarn	5	4	4	13
Zari	10	10	10	30
Meena	10	10	10	30
Silken Thread (For Embroidery)	8	10	10	28
II. Source of Raw material				
Local Market	8	10	10	28
Within district	2	1	--	3
Trader/Co-operative Society	3	2	2	7
Intermediary	4	2	3	9
III. Type of Problem				
No problem	--	--	2	2
Cost is rather high	7	9	5	21
Supply is inadequate	4	3	3	10
Problem related to quality	2	4	6	12
Problem related timely supply	5	3	2	10

The main problem faced by the weavers is the rising prices of raw materials particularly Chinese silken yarn. Since the dealers of the yarn are private parties they have a monopoly and so the prices have not only seen an increasing trend but also keep fluctuating. It is, therefore, not uncommon to observe that as soon as a big order is received by an individual or a co-operative prices tend to escalate. There was a time when weavers received raw material from PICUP at reasonable rates and this was a convenient arrangement. Unfortunately PICUP is almost defunct and has almost stopped the supply of silk yarn. Consequently, the dependence of the weavers in the open market has further aggravated things. To make matters worse, on Chinese silk yarn there is a 30 per cent anti-dumping duty. With the addition of this tax the prices of yarn get substantially inflated and the burden is borne by the manufacturers (Table 4.7).

Marketing

Proper marketing arrangements are very significant in ensuring the smooth disposal of the manufactured articles. Proper and regular marketing leads to sustained supply of income for the units and weaver households. In case of bottlenecks in the marketing process the manufactured goods get dumped. The capital gets blocked and once sale is affected it adversely affects the welfare of the households. Therefore, it was essential to find out what types of marketing arrangements are prevalent in the case of Varanasi. The details of this aspect are given in Table 4.8. It is quite evident from the table that there seems to be a very heavy dependence on the traders, intermediaries or commission agents and the co-operative societies for arranging the

marketing of handloom products in Varanasi. This is primarily so because there has been an overall slump in the demand for silken handloom products particularly sarees. This is reflected in the fact that the total number of working looms is less than the actual number of looms in the possession of the units and this has also adversely affected the employment figures over the past few years. Earlier the local market used to be an important source of sale of the products. Although local markets still are operating the volume of goods which the weavers are able to sell in them has declined. This is so because as far as the more expensive silk sarees or other products are concerned their cost has gone up as a result of rising prices of silk yarn. On the other hand, in the case of cheaper items like art silk sarees etc. it is the power looms which are offering stiff competition to the handloom weaver.

The weavers do not generally get adequate payment for their products but they are still sold so that the production chain can be maintained and the household can be sustained even if it be at lower levels of living. The ordinary unit owner does not have the capacity to procure larger orders because of his lack of contacts as well as because he is not in a position to handle a large supply even if he can get an order since he does not have the means to purchase large quantities of raw material and arrange for production of the handloom products. As against this, the bigger co-operative societies which are headed by influential and economically sound weavers have the capacity to get orders on a regular basis. The same is the case with big traders and commission agents. In fact all these categories of individuals are generally also master weavers themselves and own units having large number of looms when hired workers are employed when even they procure orders. The orders are large enough most of the times that they can give the specifications, supply raw material and get work done by smaller units owners on their terms and conditions and once the finished product is ready it is collected by them and delivered accordingly. Even in the case of Azamgarh a similar pattern was found but there the dependence was even higher (Table 4.8).

In the case of such arrangements where marketing is handled by the Co-operatives, traders or Commission agents the smaller unit owners are either only given specifications according to which the product has to be manufactured and then they have to make arrangement for the raw materials, or are given the raw materials and all they have to do is to manufacture the items. In some cases even money is advanced to the unit owners. While this arrangement takes care of the marketing problems of the smaller units it has its own problems. Payment is made generally on a piece rate basis or even by treating unit owners as wage earners. In both cases the rate of payment is lower than the expectations of the units. The other problems associated with this arrangement is that since the production orders may not be on a regular basis the units in return may not have work all the year round. Consequently there are lean periods when sustaining the household may

prove a difficult proposition. Moreover, even if work is available regularly the payment many times is subject to the co-operative or trader himself receiving payment from the party, which had placed the order. In such circumstances the weavers have to wait and this too causes hardship to them (Table 4.8).

Table 4.8: **Marketing Arrangements of Handloom Products**

Details	Rural	Semi-Urban	Urban	Total
I. Marketing Arrangement				
Sold in local market	1	3	4	8
Sold in other places	--	3	3	6
Output taken by trader/ intermediary/co-operative societies	8	7	6	21
Output purchased by larger unit	4	2	2	6
Retailer	3	4	1	8
II. In Case Working for Trader/Intermediary/ Cooperative Society, How does arrangement work?				
Raw Material are provided	6	4	3	13
Credit is provided	2	3	--	5
Raw material and credit both are provided	2	--	3	5
Only order are placed	8	6	6	20
III. Problem Faced while working for Intermediary/Trader/ Co-operative Societies?				
Low piece rate	7	3	5	15
Low Wages	3	2	1	6
Irregularity in getting work	6	5	4	15
Late payment	4	3	4	11

Production Trends

Because of the changes which have taken place in the demand pattern over the last few years and the fact that there has been a steady increase in price of raw materials during the same period it has had its impact on the performance of these units. We tried to capture the nature of change and its impact from the units over the last five years. The analysis is based on data which is presented in Table 4.9. It is quite evident that 70 per cent of the units of Varanasi have reported that over the last five years there has been a decline in the production levels. The worst affected units in our sample were from semi-urban and urban units. The rural units of our sample have fared relatively better since three report that production levels have gone up during the last five years.

The factors leading to this change are more than one and so multiple responses were received. The most crucial factor has been that orders which they had been receiving from the Co-operative Society, traders, etc. have declined. This has happened because of the decline in demand not only in the local markets and other parts of the state and country but also at the international

level. The changes have been negatively associated with the cost of production, which has taken place in the last 5 years. As many as 28 of our 30 units agree that the cost of production has gone up and a majority of them (as many as 20) report that the increase has been in excess of 20 per cent (Table 4.9).

Table 4.9: **Comparative Picture of the Unit Since Last Five Years**

Comparative Details	Rural	Semi-Urban	Urban	Total
1. **Changes in Output?**				
Output Increased	3	1	1	5
No change	1	1	2	4
Output Decreased	6	8	7	21
2. **Factors contributed to decrease in output:**				
Change in local demand	4	5	3	12
Change in demand in other parts of state/country	3	6	5	14
Change in international Demand	1	3	2	6
Change in order placed by the Trader/Intermediary	7	5	5	17
3. **Has cost of production increased last five years?**				
Yes	10	9	9	28
No	--	1	1	2
4. **If Yes, how much?**				
Cost up by over 20%	7	6	7	20
Cost up by 10-20%	3	3	2	8

Technological change

With respect to changes in the technology adopted by handloom weavers nothing has changed over the years and weaving operations are carried out exclusively on pit-looms. In the course of our discussions with the unit owners surveyed by us as well as some others we were informed that the pit-loom has a distinct advantage as compared to the frame loom. The pit-loom is fixed below the ground level and in doing so the loom is fully secured deep enough to ensure that it is sturdy. Such looms are better suited when it comes to weaving intricate designs which involves simultaneous running of a number of shuttles. In Varanasi very heavy embroidered sarees or intricate brocade articles are being manufactured since hundreds of years efficiently on these pit looms the weavers have not felt the need to introduce any change in the technology. However, some changes have taken place in the designs and there has been diversification in products. Earlier only silk sarees were being made. Now articles also include dress materials and home furnishings as well. Some have even reported that along with the design some new colour combinations have also been adopted which have been introduced only recently.

Details about technological change are provided in Table 4.10. Incorporating these changes involves a cost. A majority of respondents who have reported changes in design feel that cost of production has gone up by over 10 per cent. However, the production and income have not

increased proportionately in tune with the rise in the cost of production of materials using new designs. This is so because at times a design may itself involve a high expenditure starting from the rough design to it getting punched on cards for the jacquard. The high cost of design can be reduced in terms of per saree cost in case the order to be executed in large. But if this is not so then the per piece cost of the design becomes high. There are times when designer sarees or other material has to be manufactured and only few items have to be supplied. In such cases, however, the manufacturer accounts for the cost of design while quoting the per piece price of products. What is encouraging to observe is that since Varanasi is such an important centre of handloom weaving there are master designers at rural, semi-urban and urban areas to cater to the needs of the units (Table 4.10).

Table 4.10: **Details Regarding Changes in Technology/Design**

Details	Rural	Semi-Urban	Rural	Total
1. Have you adopted the changes in design, etc.				
Yes	6	5	8	19
No	4	5	2	11
2. If Yes, Nature of Change:				
Raw Material used	--	1	2	3
In Design of Finished Products	6	2	4	12
Colour	--	2	2	4
3. Cost involved adopting change?				
Cost increased over 10%	5	3	6	14
Between 10 – 20%	1	2	2	5
4. Has Change Been adopted by your:				
Cost of Production Increased	5	4	8	17
Not much change	1	1	--	2
5. Change of design to increased production and income?				
Yes	2	4	5	11
No	4	1	3	8
6. Source of New Design:				
Local Designer	6	5	8	19

Indebtedness

The situation of indebtedness among the unit owners is not as bad as was found in Azamgarh and only 40 per cent of the total respondents had taken a loan. However, if we look at the situation for the locations separately then it is found that 70 per cent of the respondents from rural areas were indebted whereas the corresponding percentage in urban areas was only 10 per cent (Table 4.10)

In the case of rural area units the main sources of loan were the local moneylender and the bank. While in semi-urban areas the reliance is mainly on the Co-operative Society, trader or commission agent. The single person taking loan in urban areas had received the financial

assistance from a relative. Maximum number of units from rural areas had secured loans to meet the cost for purchase of raw materials. Other reasons were house construction, social ceremony or health care all of which were non-productive in the economic sense. Some was the case with semi-urban units where the only productive purpose of taking loan was to purchase a new loom.

Table 4.11: **Situation Related to Extent of Indebtedness**

Details	Rural	Semi-Urban	Urban	Total
1. Are you in debt?				
Yes	7	4	1	12
No	3	6	9	18
2. If Yes, to whom?				
Friends/Relatives	--	--	1	1
Co-operative Society/Trader/Commission Agent	3	4	--	7
Money Lender	4	--	--	4
3. Reasons for taking loan?				
Raw Material	4	1	--	5
Loom	--	1	--	1
Social ceremony	1	1	1	3
House Construction	1	--	--	1
Health	1	1	--	2
4. Average Loan per Indebted Household (Rs.)	28214	12750	20000	22375

Government Schemes

We had enquired from the unit owners regarding their awareness of the different schemes of the government to assist the weavers. Almost 84 per cent were aware of the schemes and two-thirds had actually availed the benefit of one scheme or another. The most commonly availed scheme is that of health insurance being run by the Central Government with ICICI Lombard. Some of the other benefits availed was assistance for construction of sheds under the Deen Dayal Upadhyay Protsahan Scheme. Those who did not avail any benefit were those who were either not members of a Co-operative Society or feel that the benefits are not really worthwhile.

According to the respondents there are quite a few problems which they face and the two which have been indicated by maximum number of units are those related to marketing arrangements and that the area does not have a good centre for providing a modern plant for dyeing and calendaring. To ensure marketing of the handloom products they feel that the items which have been reserved exclusively to be produced by handlooms must not be manufactured by power looms as is being done. Thus a strict vigil on power looms is needed. The other suggestions are that there should be a more liberal export policy and more number of international exhibitions should be arranged. Even local level exhibitions and fairs should be organized on a regular basis to ensure proper marketing of handloom products. Moreover it is essential to revive PICUP and UP Handloom Corporation and bring it back to its old level of efficiency because they were very

convenient outlets for the sale of handlooms. Keeping in mind the constant fluctuations in price of raw materials and the UPICA also becoming ineffective the government needs to set up a silk yarn depot in and around the prominent handloom clusters and also ensure that supply is not only regular but in adequate quantity and at reasonable rates.

III. Condition of Wage Earners

In the earlier section we had analyzed the various aspects related to weavers who were owners of looms and so were owners of the units. We will now focus our attention on the wage earners who do not have a loom but work on wages in some unit or the other in the three locations of Varanasi. Our total sample comprised of 43 weavers drawn almost equally from our rural, semi-urban and urban locations. The details related to general information about them is given in Table 4.12.

Table 4.12: **General Information about Weavers**

Details	Rural	Semi-Urban	Urban	Total
1. No. of Respondent				
Male	14	14	15	41
Female	--	2	--	2
Total	14	14	15	43
2. Caste of Respondent				
SC	8	--	--	8 (18.61%)
OBC	4	9	--	13 (30.23%)
Muslim	2	5	15	22 (51.16%)
3. Age break-up of Respondent (Years)				
Below 25	6	8	4	18 (41.86%)
25 – 40	7	5	5	17 (39.53%)
40 – 55	1	1	6	8 (18.61%)
Total	14	14	15	43 (100.0%)
Average Age	29	27	35	31
4. Educational Qualification:				
Illiterate	10	4	3	17 (39.54%)
Literate	1	1	7	9 (20.93%)
Primary	1	3	5	9 (20.93%)
High School	2	4	--	6 (13.95%)
Intermediate	--	2	--	2 (4.65%)
Total	14	14	15	43 (100.0%)

Our sample comprised of around an equal number of Hindu and Muslim weavers. Among the Hindus a larger proportion were OBCs while the rest belonged to the SC category. However, Hindu weavers were only in the rural and semi-urban sample covered by us. The urban weavers were all Muslims.

Age Distribution

The workers were mainly found in the age groups of below 25 years and those between 25-40 years. The overall average age of our respondents was around 31 years. Almost 40 per cent of our total wage earners were illiterates. This high percentage is mainly because the proportion of illiterates was found to be very high in the rural areas (around 71.5 per cent). The highest percentage of literates with proper schooling was highest in the case of our semi-urban weavers (64 per cent) (Table 4.12).

Demographic Features

The demographic features of the households of wage earners have been given in Table 4.13. The average size of household was 6.4, which is much smaller than in the case of Azamgarh and Bijnore. The sex ratio at 750 was quite adverse. Nearly 60 per cent of males and females were engaged in economic activity due to the high poverty levels. About 11.5 per cent of children were also engaged in work. The proportion of child labour was about 8 per cent, lower than in the two other clusters studied.

Table 4.13: **Demographic Structure of Households of Wage Earners**

District/ Age Group		Family Size						
		Sex				Working (Weaving)		
		Male	Female	Total	Average size of Households	Male	Female	Total
Rural	Upto 15 years	28	11	39		1	1	2
	15 – 35 years	20	14	34		15	11	26
	35 – 59 years	6	9	15	6.43	6	8	14
	Above 60 years	--	2	2		--	--	--
	Total	54	36	90		22	20	42
Semi-Urban	Upto 15 years	19	14	33		3	2	5
	15 – 35 years	20	9	29		18	8	26
	35 – 59 years	10	12	22	6.29	10	10	20
	Above 60 years	2	2	4		2	2	4
	Total	51	37	88		33	22	55
Urban	Upto 15 years	19	22	41		3	3	6
	15 – 35 years	20	9	29		19	9	28
	35 – 59 years	9	10	19	6.47	9	10	19
	Above 60 years	4	4	8		4	4	8
	Total	52	45	97		35	26	61
Total	Upto 15 years	66	47	113		.7	6	13
	15 – 35 years	60	32	92		52	28	80
	35 – 59 years	25	33	58	6.40	25	28	53
	Above 60 years	6	6	12		6	6	12
	Total	157	118	275		90	68	158

Housing Conditions

As we move from rural to urban locations a relatively higher number were found to be living in partly pucca or pucca houses. In the rural areas around 57 per cent weavers had kutcha

houses. Similarly the housing facilities such as drinking water, toilets and electricity were being availed by almost the entire group of weavers in the urban location whereas it was relatively lower in the semi-urban location. The situation was quite bad in the rural areas only around 28 and 21 per cent households had drinking water and electricity and not a single household has a toilet. The overall average number of rooms works out to around 2.44 and there is hardly any variation between the three locations. Thus, if we look at the average size of the household, which works out to around 10 for all locations taken together it, is quite obvious that these weavers are living under rather difficult living conditions (Table 4.14).

Table 4.14: **Housing Conditions of Weavers**

Details	Rural	Semi-Urban	Urban	Total
1. Type of House				
Kutcha	8	1	1	10
Partly pucca	3	10	8	21
Pucca	3	3	6	12
2. Facilities Available				
Drinking water	4	9	13	26
Toilet	--	9	12	21
Electricity	3	8	13	24
3. Total Family members engaged in weaving	58	56	72	186
4. Average Number of Rooms	2.21	2.43	2.67	2.44
5. Average size of the household	9.90	8.70	11.70	10.10

Income Levels

If we look at the incomes being derived by these weavers from weaving it is observed that in the case of households of weavers from rural areas they are concentrated in the income group ranging between Rs.2000 – 2500 per month since they account for 50 per cent of the rural weavers. Not a single weaver household was found in the income group of above Rs.3000 per month. Consequently the average monthly income of these households worked out to Rs.2245. Even in the semi-urban households the average income was only slightly better with average incomes of Rs.2418 per household per month. However, per household income were relatively higher among the weaver households in urban areas where average incomes stood at Rs.3663 per month. But even this is not a very high figure when we think of the average size of the household of these weavers. It may also be seen that these households are totally dependent on weaving as their single occupation (Table 4.15).

Table 4.15: **Total Household Income of Weavers (Per Household)**

Income Category	Rural	Semi-Urban	Urban	Total
Below 1500	1	2	2	5 (11.63%)
1500 - 2000	3	4	2	9 (20.93%)
2000 – 2500	7	2	4	13 (30.23%)
2500 – 3000	3	4	2	9 (20.93%)
Above 3000	--	2	5	7 (16.28%)
Average Income (Per month per household)	2245	2418	3663	2447

Work Performed

The details related to wages of workers are provided in Table 4.16. The entire sample consisted of skilled workers. A majority of them (around 56 per cent) received training in the skills of weaving from their family members while the rest went to a master weaver to get trained. The type of activities, which they are involved in, are weaving of silk sarees. This activity is carried out by over three-fourth weavers while around 58 per cent are also engaged in the weaving of synthetic sarees. Very few were also found weaving dress materials. In our sample we also came across two respondents who are not weavers but are working as card punchers on a full time basis. This is also a skilled job because in the case of all intricate designs the design once finalized has to be punched on the cards and set on the jacquards.

Wage Levels

The method of wage payment, which generally prevails in Varanasi, is the piece rate basis of payment. Items, whether it be a silk or synthetic saree is woven by weavers for which they receive payment on a per saree basis. These wages depend on the time spent on weaving of one saree and also the intricacy of the pattern woven on the saree. In the case of dress materials curtain cloth and other items of home furnishing payment is made on per meter of cloth woven. Only two weavers in our entire sample, both from the semi-urban location, were being paid wages on a daily basis. In order to have an estimate of daily wages we have found out from the weavers themselves about their total earnings per month on a piece rate basis and have thus indirectly made estimates related to their daily wages despite the fact that wage payment was done on a piece rate basis. Over two-thirds of our respondents are not facing any problem related to timely payment of wages. Among those who have reported problem in this connection we had an almost equal number in the rural and urban areas. In the case of semi-urban weavers this problem is not serious. The main reason for delayed payment is the attitude of the employer. In some cases, however, even the employer becomes handicapped since he himself does not always get timely payment once the order has been delivered (Table 4.16).

Table 4.16: Details of Work and Wages of Workers

Details	Rural	Semi-Urban	Urban	Total
1. Category of workers:				
Skilled	14	14	15	43
2. How did you acquire skill:				
Family members	3	8	13	24 (55.81%)
Master Weaver	11	6	2	19 (44.19%)
3. Activities engaged in (Multiple Responses):				
Weaving silk sarees	9	10	14	33 (76.74%)
Weaving synthetic saree	8	7	10	25 (58.14%)
Weaving Dress material	2	5	1	8 (18.60%)
Manufacturing silk curtains	--	--	1	1 (2.33%)
Card punching	--	1	1	2 (4.65%)
4. System of Wage payment:				
Daily Wages	--	2	--	2
On piece rate	14	12	15	41
5. Average Daily Wages (Rs.)	75	81	89	82
6. Are wages paid on time?				
Yes	9	12	9	30
No	5	2	6	13
7. Reasons for delay in wage payment?				
Will of the employer	3	2	5	10
Non-timely sale of product	2	--	1	3

Place of Work and Job Change

Since our weavers are all working as wage earners in one unit or the other it was important to find out details related to their place of work, relationship with the employer and the frequency with which they have been moving from one unit to the other. These aspects are analyzed with the help of Table 4.16. Over 90 per cent of the workers have to work in the owners unit itself while around 9 per cent are working at home. All such cases are from rural and semi-urban locations as is clear from the table. It is worth pointing out that all our wage earners do not own a loom. These four cases are of individuals who have been provided loom from the employer himself. The only condition which has to be followed is that these wage earners can not work for any other employer. In the rural and semi-urban locations it is not uncommon to find such arrangements.

Besides getting wages around 42 per cent weavers also enjoy other benefits provided by their respective employers. These benefits include loans to meet various financial needs and gifts during the main festivals. These are also the wage earners who have not changed their place of work during the last five years with the exception of just one weaver from the semi-urban area. All the others have changed jobs. In fact a very high proportion of these persons have changed jobs more than twice over a period of the last five years. The most important reason leading to change is the low wages or their non-timely payment. The other reasons are no regularity in getting work

or because the unit where they were employed was forced to close down because of the lack of regular orders. Although a fairly high number of weavers have changed jobs, they have not had any serious problem otherwise with their employer as indicated by almost 70 per cent of our respondents. Even among these individuals the problem which they faced included payment of low wages or irregularity in wage payment (Table 4.17).

Table 4.17: **Details of Work Place and other Aspects**

Details	Rural	Semi-Urban	Urban	Total
1.Description of work place:				
Work shed	12	12	15	39 (90.70%)
Home on piece rate basis	2	2	--	4 (9.30%)
2. Other benefits besides Wages?				
Yes	5	11	2	18 (41.86%)
No	9	3	13	25 (58.14%)
3. If yes, type of benefit (Multiple Response):				
Loan at time of need	4	8	2	14
Gifts during Festival	1	3	--	4
4. Have you changed job in last 5 years?				
Yes	9	4	13	26 (60.47%)
No	5	10	2	17 (39.53%)
5. If Yes, how many times?				
Once	2	--	--	2
Twice	1	2	1	4
More than Twice	6	2	12	20
6. Reasons for change?				
Low wages	5	2	5	12
Closure of Unit	--	--	2	2
Timely not payment	3	1	2	6
Not regular work	1	1	4	6
7. Any problem with Employer?				
Yes	4	3	6	13 (30.23%)
No	10	11	9	30 (69.77%)

Till the time that demand for the handloom products of Varanasi was on a regular basis even the ordinary weavers were better off at least in the sense that they got work on a regular basis. The cycle of demand and supply was sustained and along with regularity of work it also ensured regular income to the weavers even though the wages were not higher at that time. However, in the present scenario demand has certainly fallen down to some extent and has made the situation adverse for unit owners and weavers alike.

While in the case of Azamgarh as well as Bijnore it had been observed that of the family members of the wage earning households had migrated to other places we could not find a single case as far as our sample households were concerned. This is despite the fact that demand for handloom products has declined in recent years. It has already been indicated that these households

do not have any other secondary occupation as well and so are fully dependent on weaving alone for their livelihood. This goes to show that the households are not only very traditional in their outlook and have low mobility. They seem to be content to stay home even if it means that they may not be weaving during the lean periods when demands tend to decline.

Indebtedness

As a result of the low wages as well as the fact that the lean season might mean no weaving activity, it is natural that they have to borrow money in order to fulfill various needs including arranging food for their households, illness and social obligations. The details related to indebtedness of our sample households are being discussed with the help of Table 4.18. At the time when we visited these weavers almost 56 per cent were indebted. Levels of indebtedness were much higher among rural weavers since around 87 per cent of them were found indebted. The situation was better off in both semi-urban and urban areas where less than half our respondents had borrowed money for one reason or the other. The main source of procuring loans is the owner of the unit where they are working. Their employer advances money to them at time of need and repayment is done as per the arrangements, which may be agreed upon. Generally the loan amount is gradually deducted from their wages (Table 4.18).

Table 4.18: **Details of Indebtedness**

Description	Rural	Semi-Urban	Urban	Total
1. Are you indebted?				
Yes	12	5	7	24 (55.81%)
No	2	9	8	19 (44.19%)
2. Source of Loan?				
Friends/Relatives	1	--	2	3
Traders	1	1	2	4
Bank	2	--	--	2
Owner of Unit	8	4	3	15
3. Reason for taking loan?				
Social Ceremony	4	1	3	8
Fooding	3	--	--	3
Construction of House	3	1	--	4
Illness	2	3	4	9
4. Average amount of loan per respondent (Rs.)	5643	1036	1933	2849
5. Rate of Interest				
No interest	8	5	7	20
Upto 12%	3	--	--	3
12% and above	1	--	--	1

The most common reason for demanding loans are to meet medical expenses and to meet social obligations. These are the two reasons for which loans have been taken in all the three locations. However, in the case of the rural weaver he is also found taking loan for meeting his requirements of food. A few have also borrowed for construction or repair of their houses. Since almost all the respondents of rural areas have borrowed money the per household loan is the

highest at Rs.5643 per household. In the case of urban households it is Rs.1933 while average loan per household was lowest in the semi-urban location (Rs.1036 per household). The average level of borrowing per household for all locations taken together worked out to around Rs.2850. Fortunately very few of these individuals, all from the rural area have to pay interest on the loan (Table 4.18).

Opinion about Wage Levels

While information related to the background, earnings, nature of work and problems associated with it were obtained from our wage earning weavers, it was equally important to find about the views that they have related to their existing wage rates, the promotional activities of the government which are being implemented for their upliftment, whether in their opinion this occupation is worth being pursued by their children and the expectations which they have from the government. All these aspects are being analyzed with the help of Table 4.19. An overwhelming percentage (86 per cent) of the weavers is dissatisfied with the present level of wages, which is being paid to them. The average daily wages of our weavers were found to be Rs.82. Out of those who feel that they are being paid low wages around 62 per cent are of the opinion that minimum wages should be Rs.150 per day while another 27 per cent want wages to be fixed at Rs.200 per day.

Government Schemes

Although various promotional schemes of the government are being implemented in the state only around one-fourth of our respondents are found to be availing any of them. Some of them are not eligible for some schemes because they are not members of any co-operative society. However, even the 25 per cent who are availing a scheme are taking benefit of schemes for which membership of a co-operative society is mandatory. They are the Health Insurance Scheme for weavers and the Indira Awas scheme which is a general scheme and not specifically for the upliftment of the weavers (Table 4.19).

As far as government support for the weavers is concerned, there are 3 most important aspects from their point of view. The first and most significant is that there should be some provision for the weavers for procuring raw materials at reasonable rates, of good quality and throughout the year. The output levels have been adversely affected in the recent past because of rising as well as fluctuating prices of raw materials in general and Chinese silk yarn in particular. The unit owners are totally dependent on the open market at present or the Co-operative Societies and big traders. Earlier institutions like the UPICA ad UP Handlooms Corporation were providing some assistance in this regard. The next major problem which weavers are faced with is

irregularity of work. This is directly related to the existing demand conditions for handloom products.

Table 4.19: **Perceptions of the Wage Earners**

Details	Rural	Semi-Urban	Urban	Total
1. Do you feel your wages are sufficient?				
Yes	--	2	4	6 (13.95%)
No	14	12	11	37 (86.05%)
2. If No, what should they be?				
Rs.100/- per day	4	--	--	4 (10.81%)
Rs.150/- per day	6	10	7	23 (62.16%)
Rs.200/- per day	4	2	4	10 (27.03%)
3. Are you receiving any assistance under the various government schemes?				
Yes	4	7	--	11 (25.18%)
No	10	7	15	32 (74.42%)
4. If Yes, which scheme?				
Health Insurance	3	5	--	8
Indira Awas	1	2	--	3
5. What help do you want from the Government (Multiple response)?				
Provide credit	5	4	6	15
Provide raw material	9	7	10	26
Marketing arrangement	8	5	7	20
Provide housing facility	6	5	3	14
Ensure Regular Work	4	10	8	22
Training for weavers	3	6	4	13
6. Do you want your children to become weaver?				
Yes	9	7	12	28 (65.12%)
No	5	7	3	15 (34.88%)
7. Do your children also want to become weaver?				
Yes	6	7	10	23 (53.49%)
No	8	7	5	20 (46.51%)
8. If No, what do they want to do?				
Business	3	5	2	10
Service	5	2	3	10

And the third aspect where government assistance is being felt is in the context of marketing of handloom products. Here too it may be pointed out that a very significant role was being played by institutions like UPICA and UP Handlooms which purchased handloom products directly from the weavers and sold them through their various retail outlets. Besides this the government regularly organized exhibitions and fairs where the weavers were able to sell their products at reasonable rates since the government provides a 20 per cent subsidy. Unfortunately the role of UPICA and UP Handlooms is considerably reduced since both institutions have their own problems. Even exhibitions and fairs are not being organized with the same regularity. Even

the 20 per cent subsidy is not always available. To make matters worse the power looms are producing the 11 products which are reserved for the handloom sector despite the Act. The other areas of assistance from the government are provision of easy credit and training to weavers and also for providing residential facilities to the weavers (Table 4.18).

Despite the fact that the weavers face various problems almost two-thirds of them feel that their children should continue the weaving tradition followed by their ancestors. In fact, slightly over half the of the children are willing to take the family tradition into the next generation. However, among the children who wish to change their profession half want to take up some other business while the other half want to joint he service class (Table 4.19).

IV. The Production Process

The process of weaving silk material, whether it is a saree, dress material or any other product involves a number of processes before the final product is ready for sale.

(i) The Yarn: First of all the silk yarn has to be purchased. It has already been pointed out that silk yarn which is being used most by almost all weavers is the Chinese yarn. Besides this two other qualities which are also being used are the ones from Malda in West Bengal and that from Karnataka (Bangalore).

(ii) Once gray silk yarn is purchased it is either used for the production of some articles in its gummed state or is degummed for production of other articles. Degumming leaves the yarn very soft while gray yarn is relatively stiffer.

(iii) The next important process is to dye the yarn into different shades depending on the requirements of a given work order. Dyeing is a very technical work and calls for skill. Consequently it is handled by highly skilled individuals. Need for such high level of skill arises out of the fact that the entire length of yarn should have the same shade evenly. Any variation would mean yarn of two different shades and many lead to cancellation of the work order itself. Even the quality of dyes which are being used vary. Its quality ensures fastness or otherwise of the colour. Needless to say, the superior the dye the colour is fast, bright and long lasting. Dyeing is being done manually. Since it is a skilled job not all units can do the work. Along with dyeing the yarn is also bleached if pure while effect is to be produced in the yarn.

(iv) The yarn, after it has been dyed or bleached has then to be dried. This process is generally done on the terrace of the shed where the dyeing process was carried out.

(v) Warping – This process involves doubling of the silk yarn to make it two-ply.

(vi) Weft Preparation – Here again, according to requirements the yarn is plied into 3-4 plies keeping in mind the type of cloth which has to be woven.

(vii) Once yarn has been prepared for warping and wefting it is then set on the looms. In case plain silken cloth is to be woven then weaving can commence immediately once the loom has been adjusted. However, in case sarees or other material involving intricate designs is to be woven then the yarn has to pass through cards fitted on the jacquard. The number of cards to be used depends on the level of intricacy of a given pattern.

(viii) Designing is also a process which calls for the services of a master designer. The design conceived by the master designer is first drawn on an ordinary paper and placed for approval. Once the pattern has been approved it is then transferred on a graph paper by the designer. Once the graphic design is ready then it has to be punched on the cardboard cards. Card punching too is a skilled job and the number of cards which will be required for transferring the full design depends on how intricate the design is. These cards are then fixed on the jacquard and yarn is passed through them. The material can now be woven.

(ix) If simple plain cloth is being woven then one weaver alone is enough and can work on the loom independently. However, if the design is multi-coloured and complicated involving the use of various coloured yarns, zari, etc., then a minimum of two weavers sit on the loom to operate the shuttles of different coloured yarn.

(x) The weaving process is over at this stage but the cloth might need polishing or calendaring before sold to the customer.

V. Analysis of Value Chain

The main silk products which are being produced by the handloom units of Varanasi are silk sarees and Art Silk (synthetic) sarees. While the art silk sarees are in the lower price range between Rs.600 – 1500. The pure silk sarees on the other hand, could cost any thing starting from around Rs.2.0 – 2.50 thousand and go upward towards the price range of Rs.30 – 60 thousand as well. We have made an attempt to calculate a value change on the basis of cost involved in the different stages of production. This provides an idea of the prices which weavers receive for their labour and the financial price at which these products are available to the customer in shops and big show rooms.

In case of a silk saree with zari border and buti, the manufacturing cost including weaving charges comes to Rs. 2830, while its show room price is Rs. 4080. Weaver gets Rs. 400, that is, about 10 per cent of final price of product and 14 per cent of production cost. The profit margin of the cooperative society comes to 5 per cent and that of commission agent 10 per cent, while the shop owner gets a profit of 25 per cent over his purchase price.

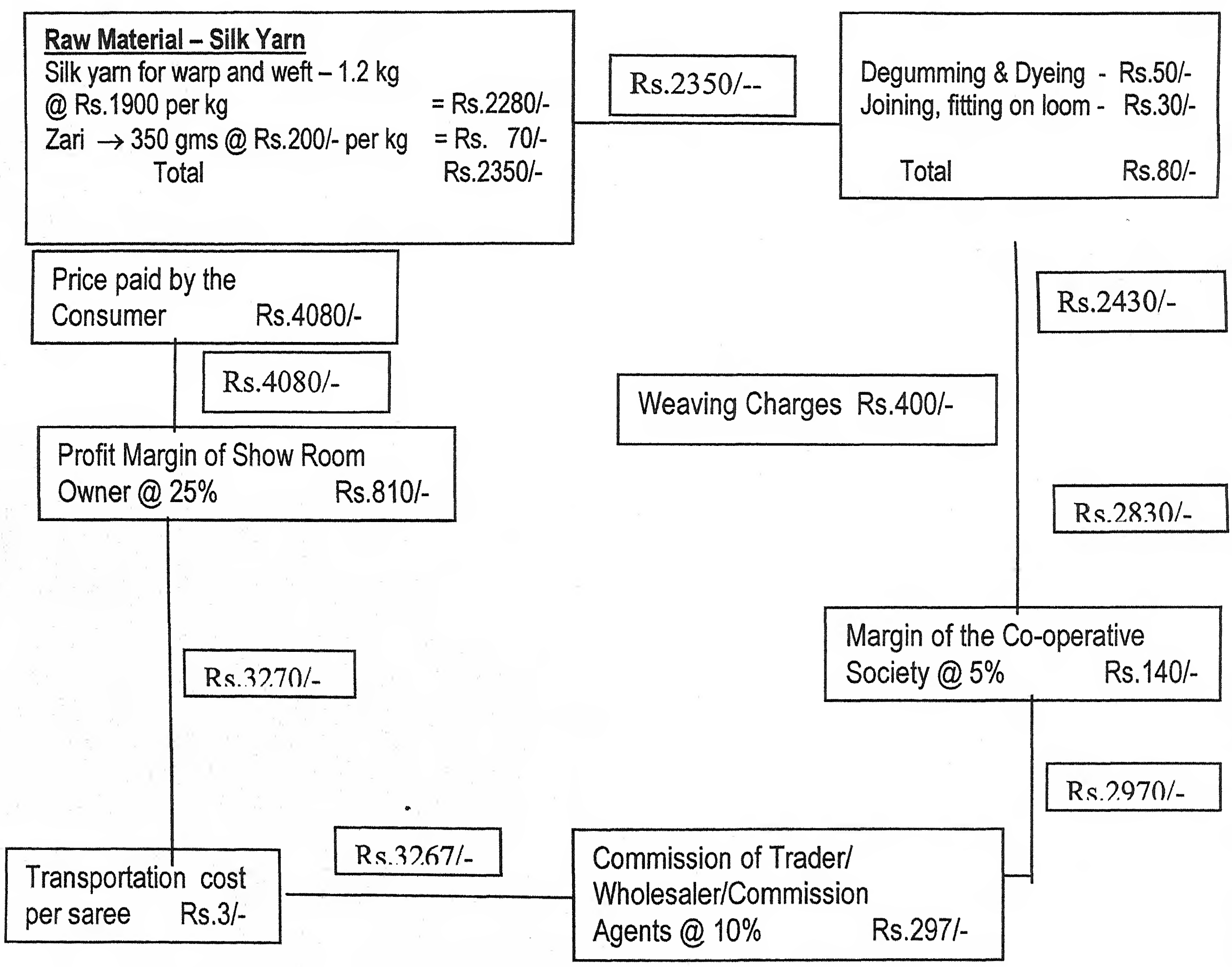
In case of an art silk saree, the manufacturing cost including weaving charges comes to Rs. 1090, while its show room price is Rs. 1450. Weaver gets Rs. 250, that is, about 23 per cent of final price of product and 17 per cent of production cost. The profit margin of the cooperative society comes to 5 per cent and that of commission agent 10 per cent, while the shop owner gets a profit of 15 per cent over his purchase price.

Value Chain (i)

Silk Saree- Silken Border with Buti (Zari) Embroidery

Size - Length 6.5 Metres; Width 115 cms

Time taken in weaving - 4 – 5 days

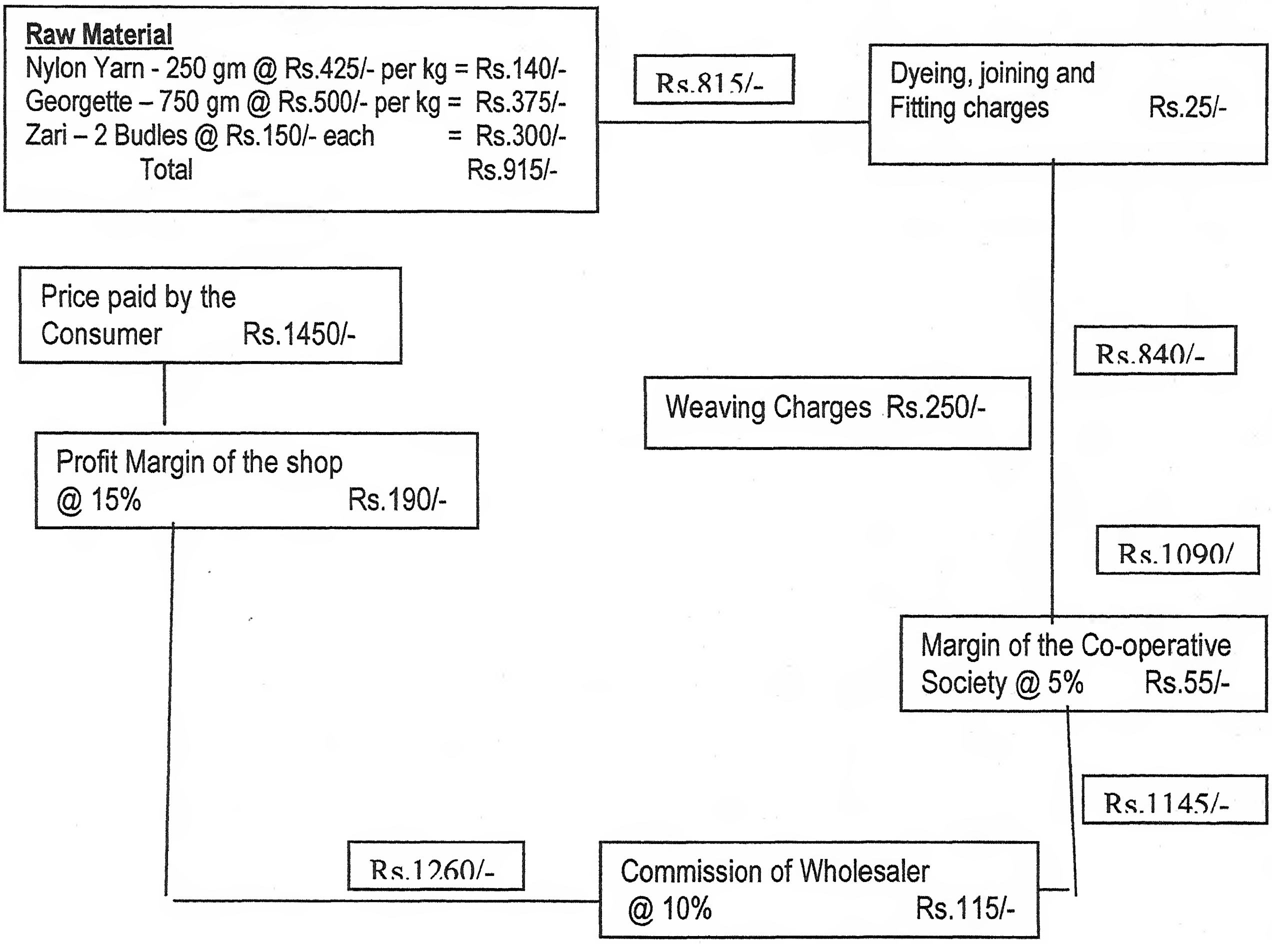


Value Chain (ii)

Art Silk Saree with Zari Work

Size - Length 6.0 Metres; Width 115 cms

Time taken for weaving 3 days



Raw Material Consumption and Production of Handloom Fabrics (Crude Estimates based on Discussions and Field Observations)

VARANASI DISTRICT

- Approximate number of weavers (2006) — 1,25,000
- Approximate number of person days work generated per annum — 250
- Main points:
  - (a) Silk sarees
  - (b) Silk dress material } 70% share in total production
  - (c) Silk furnishing — 10% share in total production
  - (d) Art silk sarees
  - (e) Art silk dress material } 20% share in total production
- Average length of fabric woven per person per day:
  - (a) Silk fabric — 1.5 metres
  - (b) Art silk fabric — 3.0 metres
- Person days of work generated (Total) — 312.5 lakh
  - (a) In silk weaving — 250.0 lakh
  - (b) In art silk weaving — 62.0 lakh
- Estimates of Raw Material Consumption (Quantity and Value)

Raw Material	Quantity (lakh kgs)	Value (Rs. in crore)
(a) Silk yarn	75.00	1425.00
(b) Zari (Superior quality) (in bundles)	21.87	43.75
(c) Nylon Yarn	7.81	33.21
(d) Georgette Yarn	23.44	117.19
(e) Zari (Lesser quality) (in bundles)	6.19	9.28
Total Value		1628.43

- Estimates of production (Quantity and Value)

Item	Quantity	Value (Rs. in crore)
(a) Silk Sarees (Nos.)	46.87 Lakh	1874.80
(b) Silk Dress Material (Metres)	56.25 Lakh	196.87
(c) Silk Furnishings (Metres)	37.50 Lakh	60.00
(d) Art Silk Sarees (Nos.)	25.00 Lakh	250.00
(e) Art Silk Dress Material (Metres)	37.50 Lakh	56.25
Total Value		2437.92

VI. Strengths and Weaknesses of the Varanasi Cluster

(i) Strengths

- The area has a very old and rich tradition of manufacturing handloom products.
- The district has the highest number of handlooms as well as weavers among all the districts of the state where handloom activities are carried out.
- The handloom products have been in demand not only all over the country but are also being exported to various other countries.
- Initially the 'Banarasi Silk Saree' was the main product of these handlooms. But over the years there has been diversification and silken dress material and sophisticated home furnishings of silk are also being manufactured. Moreover, keeping in tune with changes in demand even synthetic sarees are also being manufactured and are competing with similar products being manufactured on power looms.
- Since Varanasi is an old established handloom centre, it has a well developed market where all types of raw materials are easily available.
- The leading manufacturers, some of whom are also traders, are very confident that the skill of the weavers is of such a high caliber, the district can match all countries such as China and Japan in weaving of the most intricate brocades which are in demand.

(ii) Weaknesses

- Over the past few years there has been a decline in the demand for different handloom products because of competition from similar products being produced by the power looms at lower cost.
- While demand is showing a declining trend, prices of raw materials have been rising and cost of handlooms is rising thereby making the situation even worse.
- The people to suffer under these circumstances are the poor weavers who have only one loom or those who do not have a loom and are working as wage earners. In fact even those who own a loom are being forced to work on piece rate basis either for individuals who are heading an important co-operative society or the big traders. This is so because it is these more influential persons who are still able to procure orders either from market not only within the state or country but even the export market.
- The district does not have a modern plant for dyeing of the yarn. Even today dyeing is being done manually within the premises of the handloom units. The larger units are more competent in this regard but at times even they face problem when the quantity of yarn to

be dyed in a given shade is large. The manual process does not ensure even shade over the entire length of the yarn. Consequently, the party which places an order may even cancel the same if they feel that all the products are not of the same shade as had been agreed upon.

- While a liberal policy has been adopted by the government to provide easy credit to various sections such as farmers and Kisan Credit Cards have been issued, no such policy exists for the weavers despite their large numbers and their needs which are genuine. Financial help could free them from their undue dependence on Chairman of Co-operative Societies, traders and commission agents. Unfortunately the Commercial Banks are not providing any assistance to this group.
- The government has not taken serious measures to regulate the marketing of handloom products. Institutions such as UPICA and UP Handlooms, which were such an important source of marketing are not playing the same role and this is a major setback. Even the number of exhibitions and fairs which used to be conducted by the Handloom Directorate have gone down over the years. These exhibitions also were a vital source of marketing of handloom products.
- The governmental schemes for weavers are welfare oriented such as health schemes, etc., but should instead be aimed at providing direct assistance to weaving by way of assuring regular raw material supply at reasonable rates, marketing of handloom products by ensuring that the production of 11 products reserved under the handloom sector vide the order issued by the Ministry of Textiles on July 26, 1996 must be carried out effectively. At present all these products are being produced by power looms.

CHAPTER V

MAIN FINDINGS AND POLICY RECOMMENDATIONS

I. Main Findings

We briefly recapitulate the main findings of the study here before offering policy recommendations. The discussion covers the findings about the handloom units, wage earners in handloom industry and the opinion of the officials and key informants.

I.1 Handloom Units

The following findings were revealed by the survey of handloom units:

- In Azamgarh and Bijnore 90 per cent of the unit owners were Muslims, this proportion was lower at 57 per cent in Varanasi, where OBC and SC households have also been traditionally engaged in the handloom sector.
- Majority of the unit owners were literate in the case of Bijnore and Varanasi, but around one-third unit owners in Azamgarh were found to be illiterate.
- The average size of the households was rather high in all the districts generally between 8 to 10.
- Average annual earnings per unit from handloom production were around Rs.34-35 thousand only in all the three clusters. Thus, the monthly earnings were not even Rs.3000 per month per household and per capita monthly income is hardly around Rs. 300. The income from secondary sources was also not appreciable to raise the levels of total household income. Thus, the handloom sector is ridden by poverty and low income.
- Around two thirds of units in Varanasi and about half of the units in Bijnore were members of a co-operative Society. However, in Azamgarh only 33.33 per cent units reported membership of a cooperative society. Thus, a fairly large number of handloom units remain outside the fold of the cooperatives.
- The size of the handloom units was relatively small. The average number of looms per unit was 7 in Azamgarh, 5.5 in Bijnore and 4.6 in Varanasi. However, the number of working units was lower at 4.2, 4.6 and 3.3 in the three districts respectively, because of the recent slump in demand for handloom products.
- The slump in demand has also adversely affected the employment capacity of the handloom units. About five years earlier the handloom units were employing over 3 skilled workers on average. This number has gone down to below three at present in Azamgarh and Bijnore and below 2 in Varanasi.

- Azamgarh and Varanasi have traditionally been known for their silk sarees while Bijnore specializes in cotton handlooms. Weavers in Varanasi and Bijnore have tried to diversify their products in the light of the changing market situation. However, the weavers in Azamgarh are more traditional and have not diversified their products. As a result the cluster is facing greater stagnation and hardship.
- Since all the districts have a long tradition of weaving they also have developed local markets which cater to their requirements for different types of raw materials. Occasionally, however, raw materials has to be arranged from other places.
- The main problem related to raw materials has been the rising prices of raw yarn particularly the Chinese silk yarn.
- The main form of marketing arrangements is through the Co-operative Societies and intermediaries i.e. wholesale traders or commission agents, who have developed sufficient contacts so that they keep getting orders on a fairly regular basis.
- Sale in the local markets, fairs and exhibitions, which used to be important earlier, has become less significant.
- Over the last few years there has been a decline in demand for handloom products particularly in the case of silk products because of changes in the fashion, competition from power looms, and rise in price of silk yarn leading to increased cost of production.
- In the case of the cotton fabrics produced by units of Bijnore the situation is relatively better although even here demand half of the units reported decline in demand mainly because of the competition from power looms.
- There has been no change in technology in Azamgarh and Varanasi. The weavers are working on pit looms, which they feel are more sturdy and suited for weaving of silk sarees having very intricate designs.
- In Bijnore, however, the pit loom has given way to frame looms.
- The main problems faced by the units relate to availability of raw materials at reasonable rates, marketing of products and problem of access to bank credit.
- The manual method of dyeing, being adopted at present, does not ensure even colouring of the yarn over its entire length. The problem gets more serious if quantity of yarn to be dyed in one shade is large. The units expressed the need of modern dyeing plant to be set up near the important clusters in the district.
- The units want the government to intervene to revive UPICA and UP Handloom Corporation, will were earlier playing a significant role in supply of raw materials to the handloom units as well as marketing of their finished products.

- The unit owners also expressed the view that the government order issued by the Ministry of Textiles on 26 July 1996, reserving 11 products exclusively for manufacture by the Handloom sector should be carried out effectively.

I.2 Wage Earners

There are a large number of weavers who do not own a loom and work as wage earners in the different handloom units. Our survey covered a total of 136 weavers working on wages from the three selected districts. The survey revealed the following situation about the weavers:

- About 70 per cent of weavers in Azamgarh and Bijnore were Muslims and rest Hindus belonging to OBC or SC. In Varanasi, however, only half of the weavers were Muslims.
- Over 90 per cent of weavers surveyed were literate in the case of Bijnore. The literacy level was above 70 per cent in Azamgarh and around 60 per cent in Varanasi.
- The living conditions of weavers are poor with only around one-fourth living in pucca houses.
- The average size of the households was high (around 10) in all the selected districts.
- The average daily wages were lowest in Azamgarh at Rs.54 and slightly better at Rs.70 and Rs.82 in Bijnore and Varanasi respectively.
- The weavers are being paid on a piece rate basis in all the selected districts. The rate depends on the intricacy of the pattern to be woven and the approximate time it takes for completing the product.
- A fairly high proportion of the weavers have been changing their jobs by moving from one unit to the other. The reasons mentioned were low wages, irregularity in getting work or closure of the unit.
- In case of Azamgarh and Bijnore some family members had migrated to other places seeking better avenues of employment particularly during the lean season when demand for handloom products declines. However, not a single case of migrant was found among the weaver households in Varanasi.
- Due to low income levels weavers are forced to borrow money to meet their requirements related to medical expenses, house construction, for repairing or replacing looms or meet social obligations.
- An overwhelming percentage is dissatisfied with what they are earning and feels that they are not being paid in accordance with their levels of productivity by the traders and commission agents. In their opinion appropriate level of daily wages should be around Rs.150.

- Despite the relatively low wages, over 60 per cent weavers in Bijnore and around 53 per cent weavers in Varanasi expressed the view that their children should continue the family tradition by taking up weaving as their primary occupation. Only in Azamgarh where the condition of weavers is relatively worse only around 40 per cent weavers wanted their children to remain weavers.
- The type of assistance which they feel should be provided by the government is to improve the overall conditions of this sector by assuring regular supply of raw materials and marketing of the products. They feel that the revival of UPICA and UP Handlooms Corporation will solve the problems of the sector to a considerable extent in view of the fact that when these corporations were functioning well they were getting regular jobs and the wages were better. Thus, they were in a position to sustain their households.

I.3 Opinion of The Key Informants

Discussions with key informants such as officials from the Handloom Directorate, Chairman of Co-operative Societies, master weavers, traders and commission agents to obtain their views on the handloom sector, its problems and the areas which need to be given special attention if the condition of the sector is to be improved further. Main conclusions based on these discussions are summarized below:

- The officials are of the opinion that the main problems which need to be tackled are regular and timely supply of raw materials at reasonable rates, marketing of handloom products and access to credit facilities.
- The master wavers feel that while new designs have been introduced over the years and even diversification in the products has been brought about, not all units and weavers are switching over to the new designs and products. In Azamgarh for instance the weavers are highly traditional in their outlook and are reluctant to change from producing sarees to other materials.
- At times the designs are intricate and need high initial investment, which not all units are capable of affording. Moreover, a new design becomes economically viable if a large number of items of the same design are to be manufactured. However, if it is a designer item and only a specified number of say sarees are to be made of that pattern then the cost of design can be very high. Moreover, there are times when a design does not become popular and so after a particular point it has to be discarded.
- As far as the Chairman of Co-operative Societies, traders and Commission agents are concerned, it is not uncommon to find that the Chairman is also a trader or Commission Agent owning a large handloom unit with large number of looms. Even if he is not having

many looms he gets the work done from other smaller units on a piece rate basis. They were of the opinion that because of the changes in demand pattern caused by the younger generation switching from sarees to salwar suits and westernized dresses the government should encourage diversification.

- The Government should make a concerted effort to promote the handloom products with the help of the media.
- At the state level both UPICA and UP Handlooms should be reconstituted and revived as early as possible.
- Chinese silk yarn as well as silk yarn from Karnataka and West Bengal should be kept in a silk bank so that prices may be stabilized. This silk should be given directly to the weavers.
- The Central Government must promote production of silk yarn domestically to reduce our dependence on the Chinese silk yarn.
- The Chinese silk yarn carries an anti-dumping levy of 30 per cent. This raised the price of yarn. The government must reduce this levy suitably.
- Some important weavers who have visited foreign countries in the EXPOs organized by the NHDC/NHEC are quite confident that the Indian weavers are as good as any in the world and once proper links are established with foreign buyers there will be a substantial increase in the export of our handloom products.
- Eleven items were reserved for production under the handloom sector vide the order issued by the Ministry of Textiles on 26 July 1996. There is a need to enforce this order strictly as at present these products are being illegally manufactured by the powerloom sector, which is proving to be a major bottleneck in the development of the handloom sector.
- The handloom sector is facing problems due to competition from power looms. A pure silk saree costing around Rs.2500 takes a handloom weaver 6-7 days to weave and the weaver gets around Rs.60-80 per day. As compared to this a silk and synthetic saree produced on power loom, which can easily pass as a pure silk saree, is available at around half the price. Four such sarees are manufactured in one day in Varanasi on a power loom. In Surat, on the other hand, 24 similar synthetic sarees in the price range of Rs.250 – 400 are manufactured in one day on one power loom.

II. Policy Recommendations

The Need to Protect Handloom Sector

The handloom sector of the state might not be a vibrant sector at the present but is still of considerable importance. It is neither a dying trade nor should be allowed to die as it provides livelihood to a large number of the people and forms part of the rich cultural heritage of India. Over half a million people in the state are engaged in the sector. They possess skills of a high order, which has been passed on from one generation to the other. The weavers themselves have the confident that in the matter of skill they can match any weaver from other countries. In fact, there are master weavers who can copy any design and weave the cloth without any difficulty once a sample is provided to them. Despite the fact that over the past few decades the handloom sector is in a depressed condition and facing many problems, it has managed to survive and is able to generate employment for a large number of weavers and traders.

From the point of view of production also the sector has been producing over 51 crore metres of cloth per annum (2004-05). These figures given by the Directorate of Handlooms, Kanpur and are evidence of the fact that Although demand levels have shown a decline, there still is a section of society, which is finding the handloom products worth purchasing. The total production of handloom cloth in U.P. alone was of the order of 51 crore metres. In fact, some of the products requiring complex design can be produced on only on the handlooms. These can neither be manufactured on power looms or in the textile mills. This unique quality of handlooms is its strong point.

From the point of view of decentralized production requiring low investment and pollution free technology the handloom sector is worth preserving. Being a traditional industry with a long history, all the important centres of handloom production have developed markets for raw materials and also for the finished products at the local, state and international levels. Many handlooms clusters are well known for their specialized products and have a brand name of their own, which needs to be protected.

The growth of power looms has posed the main challenge to the sector by offering stiff competition due to higher productivity and low price. Some handloom operators have shifted to power looms, though still on a limited scale. Even the power loom units of the state have their own problems of which the most important is that of power availability. Many handloom units who have converted to powerloom are not finding things easy at all particularly because the investment on the powerloom itself is around four times as compared to a handloom and if the unit is lying idle for want of regular power supply, the investment can hardly be considered economically viable. The average weaver who owns a handloom is not in a condition to invest such a sizeable

amount on setting a powerloom unit. Conversion of handlooms into power looms will also result in sizeable reduction in employment. Moreover, power looms have a competitive edge over the handlooms only in manufacturing of plain cotton or synthetic products and are not suitable for production requiring intricate design and artistic output.

It is not easily possible to shift the weavers to alternative occupations. Keeping in mind the levels of economic activity and the scope for avenues of employment outside the handlooms, the districts unfortunately do not offer much scope for shifting the weavers to alternative trades or skills in view of their large numbers. For generations they have been carrying on the traditional work passing skills from one generation to another. It will also not be very easy to shift them to a different occupation as they are assetless people without education, devoid of any other skill and lack in entrepreneurial talent.

The handloom sector itself has enough potential and scope to develop provided some attention is given by the government to remove the problems being faced by the sector to bail it out from the predicament it finds itself in at present.

Revamping Promotional Programmes

The government programmes which are currently being implemented can be divided into two broad categories: (i) those which aim at giving a fillip to the sector as such; and (ii) those which are in the nature of welfare schemes. The proportional schemes such as the Deen Dayal Bunkar Vikas Yojana are good as far as their objectives are concerned such as providing basic inputs, improving the internal structure, develop new designs, give publicity, strengthen the co-operatives and ensure proper marketing. But at the implementation level they are found lacking. This is so because the financial commitment for these schemes is to be shared equally by the central and state governments. It is generally observed that it is the state's share does not come on time or does not come at all. This is the case with similar other schemes as well where the state government has also to contribute towards the total expenditure.

Similarly even the House-Cum-Shed scheme for weavers, which was initiated in 1993- 94, was very useful because it provided for the construction of group housing-cum-workshop. The unit cost was fixed at Rs.45000 – of which the weaver's share was Rs.5000 while Rs.20,000 each were the shares of the Central government and Commercial Banks. Unfortunately the Commercial Banks have not been co-operative in extending the facility.

The Development Commissioner, Handlooms, Government of India, organizes EXPOs for the sale of handloom products. They help the weavers to clear the stock of handloom products which have stocked up over a period of time. During these exhibitions a 20 per cent rebate was given earlier and this was a big help to weavers to recover their losses. However, this rebate has been cut down to only 10 per cent now and the weavers feel that the old system be revived.

These schemes for providing assistance to the handloom sector have, therefore, not been able to achieve the objectives which were kept in mind at the time of launching them. Therefore they need to be reviewed so that they can be made effective. The state government must fulfill their financial commitments in order to ensure success of the schemes.

The second set of schemes includes welfare schemes which address the needs of the weaver such as insurance for weavers, health insurance and the Thrift Fund scheme. They have their significance and need to be continued and their coverage should be extended.

Strengthening the Cooperatives

Some of the schemes are operative only through the Co-operative Societies. Consequently, a fairly large number of weavers who are not members of any co-operative society are unable to benefit from them. A cooperative is required to have a minimum number of 21 weavers. It is not always easy to find so many like-minded people willing to form a co-operative society. It is also a widespread feeling among weavers that it is mainly the Chairman of a society who enjoys benefits derived by forming a co-operative. In fact, often the chairman of a cooperative society acts as a middleman cornering the profits. This factor also adversely affects the willingness of a weaver to join a co-operative society. The other factor which is equally important in keeping weavers away from joining any co-operative is that some persons owning big units are also big traders and commission agents. If they work through a co-operative they have to, under the rules of the co-operative, share the yearly profit with the members of the society. Such individuals lure the weavers to remain with them, unattached to any co-operative, by giving them financial assistance from time to time and by giving them work on a regular basis because they have contacts from whom they keep getting work orders. It is such people who create misunderstanding among the weavers about the effectiveness of a co-operative. Therefore, to ensure that the government schemes are effective not only is it essential to guarantee their proper implementation but also that maximum number of weavers should join co-operative societies and also that there should be transparency in the functioning of all co-operatives.

Improving Infrastructure

As far as the Handloom Directorate is concerned, it was observed that the staff does not have sufficient infrastructural support. In Mubarakpur (Azamgarh), which is an important centre having a branch office, the office is in a dilapidated room without proper seating facilities where the staff can sit and hold discussion with the weavers, who keep visiting them from time to time. In case of Bijnore the Regional Directorate is located in Moradabad and has a staff strength of 38. However, despite the fact that Bijnore is the most important district under this Regional Directorate only 2 officials have been deputed for the district. It is, therefore, not possible for them to perform their duties effectively. The offices should, therefore, have proper staff and other facilities.

The Government's efforts for promoting the growth of the handloom sector of the state need to be intensified and strengthened. The government machinery is already present and a number of schemes to facilitate the growth process are already in operation. What is needed is to put things on the right track and keep monitoring the schemes so that corrective measures can be taken up as soon as some problem or bottleneck develops.

Strengthening the Design Centres

The state government had established seven design centres in selected districts of the state. The functions which these centres were to perform were to make weavers aware of the latest technological improvements, to train them in dyeing and other aspects and to develop new designs to ensure diversification in products. Unfortunately, only two of these centres, those of Kanpur and Gorakhpur, are partly functional at present. The other centres which were located in Barabanki, Etawah, Mau, Bareilly and Kashipur (now in Uttaranchal) have closed down. Even the centres of Kanpur and Gorakhpur are not functioning in accordance with their objectives and so the very purpose for which these centres were established is being defeated. Since the centres can play a very positive role they need to be revived and fully activated to perform their duties as per their aims and objectives.

Integrated Handloom Cluster Development Scheme

At present the weavers, traders, businessmen and exporters, supplier of yarn and others associated with the sector are working in their own way independent of each other and, therefore, there is a lack of co-ordination among them. The government has recently introduced the Integrated Handloom Cluster Development Scheme, which aims at integrating the functioning of these individuals so that work related to all aspects in the manufacture of handloom fabrics can be properly coordinated. To begin with three districts of U.P., viz. Varanasi, Barabanki and Mubarakpur (Azamgarh) have been identified under the scheme. The Commissioner, Handloom Ministry will be the nodal agency and will identify a cluster Development Agent for each district. The Cluster Development Agent will survey the handloom sector of the district and suggest areas in which the cluster is to be assisted to facilitate its growth. For Varanasi the agency identified is the Entrepreneurship Development Institute of India, Bhat (Distt. Gandhinagar, Gujarat). They have been working in Varanasi for around six months but the officials of the Regional Handloom Directorate were not very happy because the agency is working independently. Officials feel that since they have been associated with the sector for some time they have a better knowledge of the sector and should have played a role in the whole process. So far no such agent has been identified in the case of Mubarakpur (Azamgarh).

This scheme is very important because it is for the fist time that an effort is being made to develop a handloom cluster in its totality. The scheme should be implemented after very careful examination of the problems of the sector, its requirements and needs. Once properly formulated it will be equally important to ensure that it is strictly implemented and provision should also be made for regular monitoring of the scheme so that any bottleneck in the development of the cluster may be identified and removed as early as possible.

The large units, who are also the big traders, are not favourably inclined towards the cluster development scheme. In the course of our discussion with them they expressed the view that it is they who had all along been playing the role for development of cluster by giving people regular work, wages, raw materials, design and a market for their products. They also said that they have their own trade secrets regarding the dyeing methods and their own master weavers and designers as well as their contacts for selling arrangements and would not like to share the information with others. They are apprehensive that the development of the cluster by the government could mean an end to their monopoly position.

Need For Revamping The U.P. Handlooms Corporation And UPICA

The Ram Sahai Commission had suggested the setting up of an independent Handloom Directorate along with a Handloom Corporation to facilitate the growth of the handloom sector through:

(i) provision of new looms and financial assistance to weavers;

(ii) bringing about improvement in the traditional loom through their modernization;

(iii) development of design centres, dyeing centres and fabric painting units;

(iv) provision of technical training to the weavers;

(v) purchase of finished products manufactured by the sector and make marketing arrangements;

(vi) assured supply of raw materials at reasonable rates;

(vii) assistance in exporting of handloom products.

All the aspects mentioned above were expected to play a significant role in enhancing the productivity of the workers.

The state government complied by setting up not one but two Corporations;

(a) **UPICA** - The objective of this Corporation was to purchase the finished products manufactured by the registered weavers' Cooperative Societies. The Corporation set up a number of retail outlets within the state and in other states as well which enabled the marketing of the handloom products. This not only provided an assured market to the

fabrics manufactured by the Cooperative Societies but also ensured that a reasonable price was being paid for these products.

(b) **U.P. Handloom Corporation** - While UPICA was designed to serve the interests of the Cooperatives, the UP Handloom Corporation aimed at facilitating individual weavers who were not members of any registered Co-operative society. Not only was the Corporation entrusted the task of purchasing the finished products manufactured by weavers and to sell them through their numerous show-rooms located in a large number of cities both within and outside the state but also to provide raw materials to them. In this way the weaver was absolutely carefree because his task was made all the more simple and all that they had to concentrate was on their weaving activity alone.

In order to ensure that both the Corporations functioned smoothly and efficiently towards growth of the handloom sector they were provided an annual budget keeping in mind the functions they were expected to perform. During the initial phase both Corporations did a very commendable job and the weavers were facilitated to a large extent. Both the Cooperatives as well as the individual weavers had an assured market and were therefore earning regularly.

Unfortunately both corporations started developing problems as time passed. There was considerable political pressure on the Managing Directors of these Corporations to employ people with political and other links. This led to overstaffing in the office as well as their various retail outlets. Consequently, the total budget sanctioned for each corporation was barely enough to provide salaries to the staff. Shortage of resources meant that the other objectives of the corporations got neglected. Although the retail showrooms had excessive staff their attitude was indifferent towards customers since they were quasi-government employees, and so sales did not register growth as had been anticipated. To make matters worse, even financial irregularities crept in. All these factors resulted in high financial losses to each corporation. A large number of their showrooms were forced into closure and numerous employees of these Corporations have not received salaries for the past 2-3 years. This, in turn, adversely affected the growth of the handloom sector particularly so over the past 10-15 years.

To cite just one example, while the UP Handloom Corporation was running smoothly there was large scale production of the 'Janta Saree' which was very cheap and aimed to cater to the requirements of women from the weaker sections of society. The weavers did not have to worry about raw material availability as it was provided by the Corporation nor of marketing as the Corporation purchased the same. In return the weaver was getting regular employment and an assured income. Being a plain saree with no pattern except a border it could be woven without any difficulty. However, for the past few years its production has come to a standstill, while its demand is still very high.

Keeping in mind the significance of the handloom sector as a potential employment generator and income earner it is essential that the sector should be facilitated in every aspect for it to be able to grow steadily and sustain itself. The aims and objectives of the two corporations set up by the government were ideal for making UPICA and UP Handloom Corporation suited for this role. This is so because their objectives covered all aspects such as technology, raw material, finance, design development and marketing. It is also a fact that the Corporations, to begin with, had played their role significantly especially from the point of view of marketing. This from the weaver's angle is presumably the most significant aspect because once the finished products are finding a ready buyer in the form of either UPICA or UP Handloom the other aspects become secondary in importance. It is, therefore, essential that these organizations should be properly revamped to ensure that they work efficiently and effectively.

To enhance the working of these Corporations the first step is to ensure that they operate on sound commercial lines. In the past the organizational structure was headed by an IAS officer and even the political leaders exercised their clout over its functioning. This was one of the main reasons for its failure. There is, therefore, a need to alter its organizational structure. Its functioning should be much more transparent and the individual heading the Corporations should be made accountable to the Handloom Directorate. For this it is desirable that it should be run by a professional rather than a politician or a bureaucrat. Care should be taken to avoid overstaffing and to avoid all the mistakes which had been made earlier.

In the new scheme of Integrated Cluster Development the Corporations can really play a very significant role in the smooth integration of the various activities of the handloom sector starting from supply of raw material to the purchase of finished products.

The Handloom Directorate as well as the Handloom Corporation need to be modernized and strengthened to enable them to perform their functions effectively. At present the offices are in unsatisfactory condition. They should be refurnished and equipped with computers linked with district offices. The management of the Handloom Corporation should be in professional hands, which should be made fully accountable for the working and meeting the set targets spelled out in an MOU with the Government. Similar efforts are needed to make UPICA a commercially viable organization.

Promotion of Marketing

As has been indicated by weavers as well as the officials of the Handloom Directorate, one of the major issues to be tackled is marketing of handloom products. This aspect needs full attention. The Government already has issued an order through which 11 products have been reserved for production exclusively by the handloom sector. Unfortunately, this order is being

violated by powerlooms. The government must, therefore, deal very sternly with the defaulters and ensure that only the handloom sector produces these items. At present there is no official seal which certifies that the cloth was produced on a handloom. Therefore, the first step to be taken is to introduce such a seal which will be affixed on handloom cloth to distinguish it from one made by a power loom.

Preference to handloom products in government purchase had been of immense help to the sector in the past. The various government departments regularly purchase various items such as bed sheets, curtains, table clothes, towels, etc. for use in government offices. One of the biggest Ministries, the Indian Railways, needs these items in bulk every year. Thus, the government can certainly assist the sector by issuing an order that certain products will be purchased only from the Handloom Units.

Although, the Handloom Directorate has been organizing exhibitions and fairs from time to time, their frequency needs to be increased. The festive occasions are an opportune moment when sales can be promoted by organizing the fairs and offering discounts. Such fairs should be planned once every quarter at the district level, within the state and on an All India basis at least twice every year.

Yet another step which the government can take is to popularize the handloom products through intensive use of the media. It can also arrange workshops between the weavers and traders and fashion houses so that there can be a direct link between the two. The common weaver at present is handicapped by the fact that he has little or no knowledge regarding the market for handloom products and the type of designs and products which are popular at any given moment of time. Such interactions will enlighten weavers regarding the potential of the market and its requirements. It will then be upto the weavers to diversify their products according to the need of the hour.

Ensure Raw Material Supply

The government should play a role in dealing with the problem of supply of raw material at reasonable prices. Yarn depots should be set up in major clusters to ensure that adequate amount is supplied at reasonable rates. The weaving community is adversely affected by the 30 per cent anti-dumping levy on Chinese silk yarn as it increases their production cost. The government should, therefore, take some decision towards reducing this levy suitably. Domestic production of silk yarn should be promoted.

Set Up Dying Plants

Modern dying plants should be set up in the handloom clusters to meet their requirement of quality dying.

Ensure Access to Credit

Access to bank credit is a major problem faced by the weavers. The bankers are generally reluctant to advance loans to them. The government may introduce Bunker Credit Cards on the pattern of Kisan Credit Cards through which easy credit may be made available to weavers to meet their requirements related to either purchase or repair of looms and other machinery and to meet their working capital needs.

Power Connection to Homes

While the hand loom does not need power, the room where looms are fitted need proper lighting arrangement so that waving operations can be carried out easily. Power connection needs to be provided to weavers.

Improve Wage and Earning Levels

A major challenge is to raise the wage level in the sector and to ensure that the weavers get a due share in the value added by them. Minimum wages needs to be prescribed for weavers and they should be organized through the NGOs to ensure that they get the minimum wages. Reorganisation of the cooperatives on a more democratic and transparent pattern will also help improve the income level of weavers.

Improvements Desirable In The Regional and District Offices of the Handloom Directorate

During the course of our survey we got the opportunity to visit three regional offices of the Handloom Directorate.

(i) Mubarakpur (Azamgarh) is controlled by the regional office in Mau. It is located on the main Mau Road. The office is located in a dilapidated building and it seems that the last time it was whitewashed must have been over a decade earlier. It is headed by an Assistant Director and has a total staff of 34 which includes 10 Supervisors. Besides Azamgarh the other districts which come under the regional office are Mau, Ballia and Gorakhpur. Mubarakpur (Azamgarh) is the most significant handloom cluster under the region and so a sub-office of the Directorate has been set up here. Unfortunately it is a small dingy room located in a lane measuring around 8 x 10 feet only. It is impossible for the staff to sit in it simultaneously. It does not even have proper seating arrangement.

(ii) Moradabad is the regional office which controls Bijnore. The other districts under it include Moradabad itself and Rampur. Once again it is headed by an Assistant Director who has a total staff of 38. The office is located in the Vikas Bhawan which also houses various other offices of the State Government and so the building itself is good. What is

unfortunate that despite the fact that Bijnore is the most important district of the region in respect to handlooms it has been given a staff of barely two persons who have a small room in the Vikas Bhawan located in Bijnore. In a district as important as this a staff of two is highly inadequate and so it deserves to be allocated a staff of at least 6-8 persons.

(iii) Varanasi - The Regional Handloom Directorate has its main office in heart of Varanasi city itself and is headed by an Assistant Director. The other districts which are also governed by this regional office are Jaunpur, Chandauli, Mirzapur, Sant Ravi Das Nagar and Sonebhadra. Despite the fact that the office is located in an old building it has enough space but lacks proper maintenance. The staff strength of 43 was the highest among all the three regional directorates visited by us. The Assistant Director was very active person and had an efficient staff under him. Thus, this was the best regional office visited by us.

The common problem which we found in all these offices was that in general the office area is not well maintained since two out of the three were rented offices in old buildings badly in need of repair and maintenance.

The second problem which the officials are faced with is lack of infrastructure. The handloom Inspector and Supervisors have to tour the area under them on a regular basis to enable them to monitor the working of the co-operatives and to look into the problems of weavers but they have not been provided any means of transportation for the same. In the rural area they are totally dependent on local transport and the roadways buses which have fixed timings. Thus, a lot of time is wasted in going from the district headquarter to these villages. It is, therefore, desirable that these officers should be provided with motor cycles to facilitate their work.

The other aspect found lacking in these offices was that of proper records regarding various aspects related to the handloom sector were not properly maintained in these offices. For example, the state level data indicates a total production of 51 crore metres of handloom fabric in the entire state as a whole but none of these regional offices had information regarding the total production or of the raw material consumed in their region. It is, therefore, time when these records be regularly maintained at the regional directorate level so that trends in growth can be worked out. In fact the entire data should be computerized and duly linked to the main computer in the Kanpur head office of the Handloom Directorate.

The last Census of Handlooms was conducted in 1995-96 and over ten years have lapsed since then. If some effective policy measures are to be drawn up to facilitate the sector more effectively it is imperative that a Census must be conducted without any further delay so that precise information could be had on a district-wise basis regarding total number of weavers as well as total number of looms (both actual number and working looms). Once transport facility is provided to handloom inspectors and supervisors this work can be done easily with the help of the

various cooperative societies. Computerization will be of help in collecting and compiling all the relevant information on a district-wise basis in order to obtain the state level information. This information along with that of production and raw material consumption can be updated on a regular basis.

To conclude, there is hope that a new life can be injected into the handloom sector if some of the aspects which have been highlighted above are taken care of. This will not only help the cause of the weavers but the state economy as well.

Annexure 1

List of Key Informants

KANPUR

Mr. Shyam Lal
Director
Department of Handloom & Textiles
Kabir Bhawan, GT Road
Kanpur

Mr. D.P. Mishra
Deputy Registrar
Directorate of Handloom
Kanpur

LUCKNOW

Dr. Raja Ram
Assistant Director, Handloom
Regional Office
Lucknow

Mr. P.N. Tewari
Regional Manager (Marketing)
Handloom Corporation
Lucknow

Mr. S.U. Khan
Senior Artist
Regional Handloom Directorate
Lucknow

MUBARAKPUR (AZAMGARH DISTRICT)
(Office of the Regional Directorate Handlooms is in Mau)

Shri K.P. Verma
Assistant Director, Handloom
Mau Main Road
District Mau (U.P.)

Shri Sarat Chandra
Technical Supervisor, Handloom
Handloom Centre, Mubarakpur
Azamgarh (U.P.)

Shri Ashraf Ali
President, Adarsh Kargha Cooperative
Society, Rasoolpur, Mubarakpur
Azamgarh (U.P.

Shri Gurfan
Master Weager, Mubarakpur
Azamgarh (U.P.

Shri Rajndra Prasad
Supervisor, Powerloom
Handloom Centre, Mubarakpur
Azamgarh (U.P.)

Shri Suresh Chandra
Technical Supervisor, Handloom
Handloom Centre, Mubarakpur
Azamgarh (U.P.)

Shri Haji Mohammad
Prop. Zama Sarees Pvt. Ltd.
Master Weaver, Mubarakpur
Azamgarh (U.P.)

Shri Abdul Hamid
Master Weaver and Trader
Newada Village, Rasoolpur
Azamgarh (U.P.)

Shri Ehasan Ahmad
Master Weaver and Trader
Mubarakpur
Azamgarh (U.P.)

Shri Asrar Ahmad
Master Weaver and Trader
Mubarakpur
Azamgarh (U.P.)

Bijnore

Shri Sunil Yadav
Assistant Director (Handloom)
Vikas Bhawan, C.D.O. Office
Kanth Road
Moradabad

Shri J.P. Gaur
Superintendent
Handloom Directorate
Moradabad Division
Kanth Road
Moradabad

Mr. Sacchidanand Pande
Supervisor Handloons
Vikas Bhawan
Bijnore

Mr. Sagir Ahmad
President,
Anjum Kargha Udyog Utpadan
Sahkri Samiti
Noorpur
Bijnore

Shri Kafeel Ahmed
President
Fancy Kargha Udyog Samiti
Mugalpura
Sahaspu
Bijnore
(He is a very big exporter dealing in sting curtains)

Mr. Abdul Gani
President
Rawana Co-operative Handlooms Weavers Society, Rawana
Bijnore
(He is also a maser weaver)

Mr. Mohammad Shakir
President,
Ansar Handloom Udyog Sahkari Samiti
Budhanpur
Bijnore
(He is also a big trader and master weaver)

Mr. Naeem Ahmed
Inspector Handlooms
Vikas Bhawan
Bijnore

Mr. Imamuddin
President,
Super Handlooms Wastra Audyogik
Utpadan Sahkari Samiti
Sarai Kalan
Bijnore

Mr. Hakeezu Rehman
Master Weaver
Rawana
Bijnore

Varanasi

Mr. Tejaskar Pande
Assistant Director Handlooms
Rath Yatra
Chaumohani

Mr. Rakesh Mishra
Supervisor, Handlooms
Handloom Directorate
Varanasi

Mr. Hafeez Ansari
President,
Swaraj Sahkari Samiti
Dist. Sahsos
Varanasi

Mr. Rimaz Ahmed
Nai Bazar
Lohta
Varanasi
(He is a master weaver)

Mr. Kamal Akhtar
President,
Silk Bunkar Co-operative Society
Nati Imli
Varanasi

Mr. R.S. Upadhyaya
Textile Inspector
Handloom Directorate
Varanasi

Mr. Jagannath Maurya
President,
Adarsh Silk Bunkar Sahkari Samiti
Ramnagar
Varanasi
(He is a Master Weaver as well)

Mr. Pyare Lal
Adarsh Bunkar Vikas Kendra Sahkari Samiti
Ajgara
Kamna
Varanasi

Mr. Badruddin Ansari
President,
Co-operative Society
Nati Imli
Varanasi
(He is also a big trader and exporter)

Mr. Mohammad Sharif
Master Weaver
Pili Kothi
Jaitpur
Varanasi

Annexure 2

Diagnostic Study of Handloom Clusters in Uttar Pradesh

Questionnaire for Handloom Units

District ________________

Urban Area/Village Cluster ________________

I. General Information

1.1 Name of the Unit ________________

1.2 Name of the Owner ________________

1.3 Sex (Male/Female) ________________

1.4 Caste ________________

1.5 Age of the Owner ________________

1.6 Education (Years Passed) ________________

1.7 Size of the Family:

Age Group (Years)	Male	Female	Working	Not Working
Upto 15				
15 – 35				
35 – 60				
Above 60				

1.8 Type of Training Informal (Traditional) ☐ Formal (Give Details) ☐ ________________

1.9 Household Income p.a. From Weaving Rs.________________

All sources Rs.________________ p.a.

1.10 Is your unit registered? Yes ☐ No ☐

1.11 Is No, why not? ________________

II. Details about the Unit

2.1 Since when is your unit working (Year) ________________

2.2 History of the Unit: (i) Hereditary ☐

If hereditary, No. of generations ________________

(ii) Set up by Owner ☐

2.3 Total Number of Looms ________________

2.4 Type and Size of Looms ________________

2.5 Type of Unit (i) Proprietor ☐

(ii) Joint-ownership ☐

(iii) Company ☐

(iv) Co-operative ☐

2.6 Technology being used (Provide details of the production process):

____

____

____

2.7 What are the main products of your unit?

(i) ____________________________________

(ii) ____________________________________

(iii) ____________________________________

(iv) ____________________________________

(v) ____________________________________

2.8 Are you a manufacturing unit or doing job work? Manufacturing ☐ Job work ☐

2.9 Total workers employed (Nos.)

Type of Workers		Unpaid Family Workers			Hired Workers		
		Male	Female	Children	Male	Female	Children
Skilled	At Present						
	5 years earlier						
Semi-Skilled	At Present						
	5 years earlier						
Unskilled	At Present						
	5 years earlier						

2.10 In case of decrease, what was the reason?

Skilled ☐ Semi-Skilled ☐ Unskilled ☐

2.11 What was the fixed capital invested at the time of starting/purchasing the unit? (Cost includes cost of looms, land, building and raw material, etc.)

Rs.__________________

2.12 Source of Credit at time of starting the Unit?

(i) Own Savings ☐

(ii) Relatives/Friends ☐

(iii) Bank ☐

(iv) Other Financial Institutions ☐

(v) Intermediary ☐

(vi) Money Lender ☐

2.13 Have you invested money in the unit in the last 5 years? Yes ☐ No ☐

2.14 If Yes, how much, source and purpose?

Purpose	Source (Use the same source as indicated in 2.12)	Amount (Rs.)
Additional Looms		
To purchase land		
Constructing building/shed		
For working capital .		
Total		

2.15 What problems, if any, did you face in obtaining credit?

____

____

2.16 What are the main raw materials being used in the Unit?

(i) ________________________________

(iii) ________________________________

(iii) ________________________________

(iv) ________________________________

(vi) ________________________________

2.17 Source of supply of these raw materials?

(i) Local market ☐

(ii) Within district (Nearby town/city) ☐

(iii) Other parts of State ☐

(iv) Other States ☐

(v) Imported yarn ☐

2.18 What type of problems, if any, do you face in procuring raw materials?

(i) Cost is rather high ☐

(ii) Supply is inadequate ☐

(iii) Problem related to quality ☐

(iv) Problem related to timely supply ☐

(v) Any other (specify)________________________ ☐

2.19 What are the marketing arrangements?

(i) Sold in local market ☐ Share (%) ____________

(ii) Sold in other places ☐ Share (%) ____________

(iii) Output taken by intermediary ☐ Share (%) ____________

(iv) Output purchased by larger units ☐ Share (%) ____________

(v) Any other (give details)____________ ☐ Share (%) ____________

2.20 In case you are working for an intermediary/larger unit, how does the arrangement work?

(i) Raw materials are provided ☐

(ii) Credit is provided ☐

(iii) Raw materials and credit both are provided ☐

(iv) Only orders are placed ☐

2.21 What type of problems are faced while working for an intermediary/larger unit?

____

____

2.22 Are you in debt? Yes ☐ No ☐

2.23 If Yes,

To whom	Reason for taking debt	Amount	Rate of interest
Friends/Relatives			
Bank			
Financial Institution			
Intermediary			
Money lender			

III. Trends Observed in Output and Cost of Production

3.1 What has been the change in output of your unit in the last five years?

(i) Output increased (give %) ☐ ____________

(ii) No change ☐

(iii) Output decreased (give %) ☐ ____________

3.2 What factors have contributed to increase/decrease in output?

(i) Change in local demand ☐

(ii) Change in demand in other parts of state/country ☐

(iii) Change in international demand ☐

(iv) Change in orders placed by the intermediary/large unit ☐

3.3 How has this change affected your net annual income?

(i) ____________________

(ii) ____________________

(iii) ____________________

3.4 Has the cost of production increased over the last 5 years? Yes ☐ No ☐

3.5 If Yes, what impact has it had on your unit?

(i) Cost up by over 20% ☐

(ii) Cost up by 10-20% ☐

(iii) Cost up below 10% ☐

IV. Technological Change

4.1 Has there been any improvement in the technology/product design over the past 5 years?
Yes ☐ No ☐ Not aware ☐

4.2 If Yes, what has been the change?

(i) In loom design ☐

(ii) In raw materials used ☐

(iii) In the design of finished products ☐

(iv) Any other (specify)____________________ ☐

4.3 What was the cost involved in adopting the change?

(i) ____________________

(ii) ____________________

4.4 Has this change been adopted by you? Yes ☐ No ☐

4.5 If Yes, what change has it made on your cost of production?

(i) Cost of production increased ☐ Give % __________

(ii) Not much change ☐

(iii) Cost of production has gone down ☐ Give % __________

4.6 Has the change in technology/design led to increased production and income?
Yes ☐ No ☐

4.7 If change not adopted, reasons for not doing so?

(i) ____________________

(ii) ____________________

(iii) ____________________

4.8 What was the source through which the new technology was available?

(i) ____________________

(ii) ____________________

(iii) ____________________

V. Schemes of the Government to Help the Handloom Industry

5.1 Are you aware of any schemes of the Government? Yes ☐ No ☐

5.2 If Yes, what are they?

(i) ____________________

(ii) ____________________

5.3 Have you availed these schemes? Yes ☐ No ☐

5.4 If Yes, in what way have you benefited?

(i) ____________________

(ii) ____________________

5.5 What type of problem, if any, did you face while availing the scheme?

(i) ____________________

(ii) ____________________

5.6 In case you have not availed any scheme, why not?

(i) ____________________

(ii) ____________________

VI. Problems and Suggestions

6.1 What are the main problems, if any, being faced by your unit?
(Rank them by ranking the most serious problem as No.1 and so on).

		Tick, if Yes	Rank
(i)	Related to raw material	☐	______
(ii)	Availability of credit	☐	______
(iii)	Related to technology/design	☐	______
(iv)	Related to marketing	☐	______
(v)	Availability of skilled workers	☐	______
(vi)	Problem because of intermediaries	☐	______
(vii)	Lack of Government support	☐	______
(viii)	Competition – both domestic and international	☐	______
(ix)	Training	☐	______
(x)	Any other (specify) ____________________	☐	______

6.2 In your opinion, what are the main areas in which government can extend its support to improve the working conditions and growth of the handloom industry?

____

____

____

____

Annexure 3

Diagnostic Study of Handloom Clusters in Uttar Pradesh

Questionnaire for Labourers

District ______________________

Urban /Rural Cluster ______________________

Name of Unit/Proprietor ______________________

Location ______________________

I. General Information

1.1 Name ______________________

1.2 Sex (Male/Female) ______________________

1.3 Age (Years) ______________________

1.4 Caste ______________________

1.5 Education (Years Passed) ______________________

1.6 Marital status ______________________

1.7 Household Income
(i) From the weaving unit Rs.______________ p.m.
(ii) Other labour Rs.______________ p.m.
(iii) Other sources (Agr.etc.) Rs.______________ p.m.
(iv) Total Income Rs.______________ p.m.

II. Details about the Household

2.1 Family Size:

Age Group	Sex		Working or Not working
	Male	Female	
Upto 15 years			
15 – 35 years			
35 – 69 years			
60 & above			

2.2 Type of House: Kutcha ☐ Partly Pucca ☐ Pucca ☐

2.3 Does your house have the following facilities?

(i) Drinking water Yes ☐ No ☐

(ii) Toilet Yes ☐ No ☐

(iii) Electricity Yes ☐ No ☐

III. Details Related to the Activity

3.1 Do you have any relationship with the owner of the unit? Yes ☐ No ☐

3.2 What is the activity you are engaged in?

____

____

3.3 What category does it fit in? Skilled ☐ Semi-Skilled ☐ Unskilled ☐

3.4 In case you are a skilled worker, how did you acquire the skill?

Family members ☐ Friends ☐

Master weaver ☐ Formal training ☐

Any other (specify)__________ ☐

3.5 What are your wages at present?
Rs.____________________
(Specify per day/per month, etc.)

Are wages of female workers lower? Yes ☐ No ☐

3.6 What is the system of wage payment?

Daily basis ☐ Weekly ☐ Monthly ☐ Piece rate basis ☐

3.7 Are wages paid on a timely basis? Yes ☐ No ☐

If No, reasons for delayed payment/partiál payment?

____

____

3.8 In the last five years, have your wages increased? Yes ☐ No ☐

3.9 If Yes, what were the wages earlier?
Rs.____________________

3.10 Details of work place?

In the workshed/building of the unit ☐

Work is done at home on contract basis ☐

Any other ☐

3.11 Besides wages, are any other benefits provided to you by the owner of the handloom unit?

Yes ☐ No ☐

3.12 If Yes, what are they?

____

____

3.13 Have you changed job from one unit to another in the last 5 years?

Yes ☐ No ☐

3.14 If Yes, how many times and reasons for doing so?

Once ☐ Reason ____________________________

Twice ☐ Reason ____________________________

More than twice ☐ Reason ______________________

3.15 Do you face problem of any kind with your employer? Yes ☐ No ☐

3.16 If yes, what is the problem?

____

____

3.17 Are you indebted to any one? Give details:

Indebted to	Cause of indebtedness	Amount	Rate of interest
Friends/Relatives			
Intermediary			
Bank			
Financial Institution			
Money lender			
Any other			

3.18 Do you feel that wages paid are adequate? Yes ☐ No ☐

3.19 If No, how much should they be?
Rs.______________________

3.20 Is the government providing any assistance to you? Yes ☐ No ☐

3.21 If Yes, what type of assistance?

____

____

____

3.22 In what way can the government provide help to you?

____

____

____

3.23 Are you member of a Co-operative? Yes ☐ No ☐

3.24 If Yes, what advantage does it give you?

____

____

____

3.25 Do you want your children to continue this traditional activity? Yes ☐ No ☐

3.26 Are your children also keen to take up this work? Yes ☐ No ☐

3.27 If so, why and what other work would they like to do?

____

____

____

____

Annexure 4

Schedule for key Informants

Name and Address of Informant:

Designation & Details of Activity

Date of Interview

Conducted by

Signature:

I. Brief History of the Cluster

How old is the handloom industry in the district/cluster?

Its evolution and growth

At present what is the number of

(a) Handlooms
(b) Total Workers
(c) Master Weavers
(d) Total Output

Changes over the last 5 years in employment and output

Factors Contributing towards Growth/deceleration

Other relevant details/special features of the cluster

II. Production Pattern and Structure

Major products (type, quantity, designs, share in value of total output)

What major changes have taken place in product structure in recent years?

What is the organizational pattern of production?

(a) Household level
(b) Worksheds
(c) Co-operatives
(d) Contract basis

Description of main steps in the production process from processing to final stage of production?

Kind of labour force involved in different stages (male-female, skilled-unskilled, family labour-hired)

Value Chain of Production of Major items

III. Raw Material and Inputs

Type of raw material used

Adequacy of yarn availability

Sources of supply of yarn

Yarn prices and trends in them

Yarn Market - Structure & agencies

Other main inputs (threads, dyes, etc.) and their supply

Linkages between output & input markets

Linkages with organised sector if any

Main problems in obtaining raw material

IV. Credit Facilities

Sources & Structure of Credit (Formal/informal)

Formal credit sources and problems associated with them
(Information from NABARD, Lead Bank, Cooperatives may be obtained)

- Govt. Credit Schemes
- Commercial banks
- Cooperative societies

Informal credit sources

(availability, incidence rate of interest, linkages with trade and sub contracting arrangement)

- Adequacy of credit and problems in access to credit

V. Marketing Structure

Process of Marketing

Agencies & Institutions in Marketing

How much is sold in

Local market
Nearby markets
Other parts of state
Other States in India
Foreign markets

What are the major purchase centres of the products in India and abroad?

Process of Procurement of Orders

Role of intermediaries in marketing

Trade Margins at various stages

Share of weavers in total value of output

Major problems faced in marketing of products

VI. Technological Change and Product Diversification

Brief description of existing technology (type of looms, other major processes, mechanization level)
Major technological changes taking place in recent years:
(e.g. loom design, Mechanization of processes, improved machinery, product diversification, new designs, new types of raw materials)

Main Sources of technological change (self developed, other entrepreneurs, market, traders, government agencies)

Main obstacles in adoption of improved technology
(lack of knowledge, shortage of capital, lack of skill training, high cost of new technology, unsuitable to requirements, etc.)

VII. Impact of Competition and Globalisation

Give an assessment of the impact of competition from powerlooms, textile mills in terms of demand for products and employment in handloom sector

Comparative advantage/disasvantage of handlooms in terms of

Quality of product and design

Price of products

Access to raw material, credit, technology and markets

How liberalisation of imports of products and inpus from abroad has affected the industry

Whether globalisation has helped in generating higher output and income through increased exports

How the changes in domestic and external demand and changes in consumer preferences have affected the industry

What can be done to meet the challenge of increased domestic and foreign competition and promote exports?

VIII. Impact of Government Programmes

Obtain information about the support given by given in recent years in the centre for development of handloom sector with respect to the following:

(i) In procurement of Raw Material
(ii) Availability of Credit
(iii) Marketing of Finished Products
(iv) Technological Upgradation
(v) Training
(vi) Improvement in Product Design
(vii) Fighting the Menace of Intermediaries
(viii) Development of infrastructure
(ix) Improving working conditions of weavers
(x) Social security and workers welfare schemes

What is the level of awareness of weavers about government schemes?
What is the outreach of these programmes in terms of coverage or needs?

How you rate the impact of the government measures on output, employment, technological aspect and working conditions?

What are the main shortcomings of government interventions?

What measures can be taken to remove these shortcomings?

What new interventions and support measures can be taken up by the government for improving the following?

(i) Easy availability of Raw Material
(ii) Easy Access to Credit
(iii) Upgradation of Technology
(iv) Improvement in Marketing
(v) Training of workers
(vi) Reducing the influence of intermediaries and ensuring a better deal to the workers.

IX. Working of Cooperatives

Obtain information about the number of societies, their membership, type of activities performed by them

What is the role of cooperatives in development of the handloom sector, improving the income and employment of workers and their working conditions?

What are the positive contributions of cooperatives?

What are the main weaknesses of the cooperatives?

What measures can be taken to improve the working of the cooperatives?

X. Role of NGOs

Which are the main NGOs working in the field of handloom industry in the cluster (names and addresses)?

What are the main activities under taken by the NGOs?

What is your assessment about the role of NGOs in helping the industry and improving the conditions of workers and raising their income levels?

Is the interface between NGOs and Government agencies satisfactory?

What can the Government do to ensure greater involvement of NGO's and support their activities?

XI. General Observations